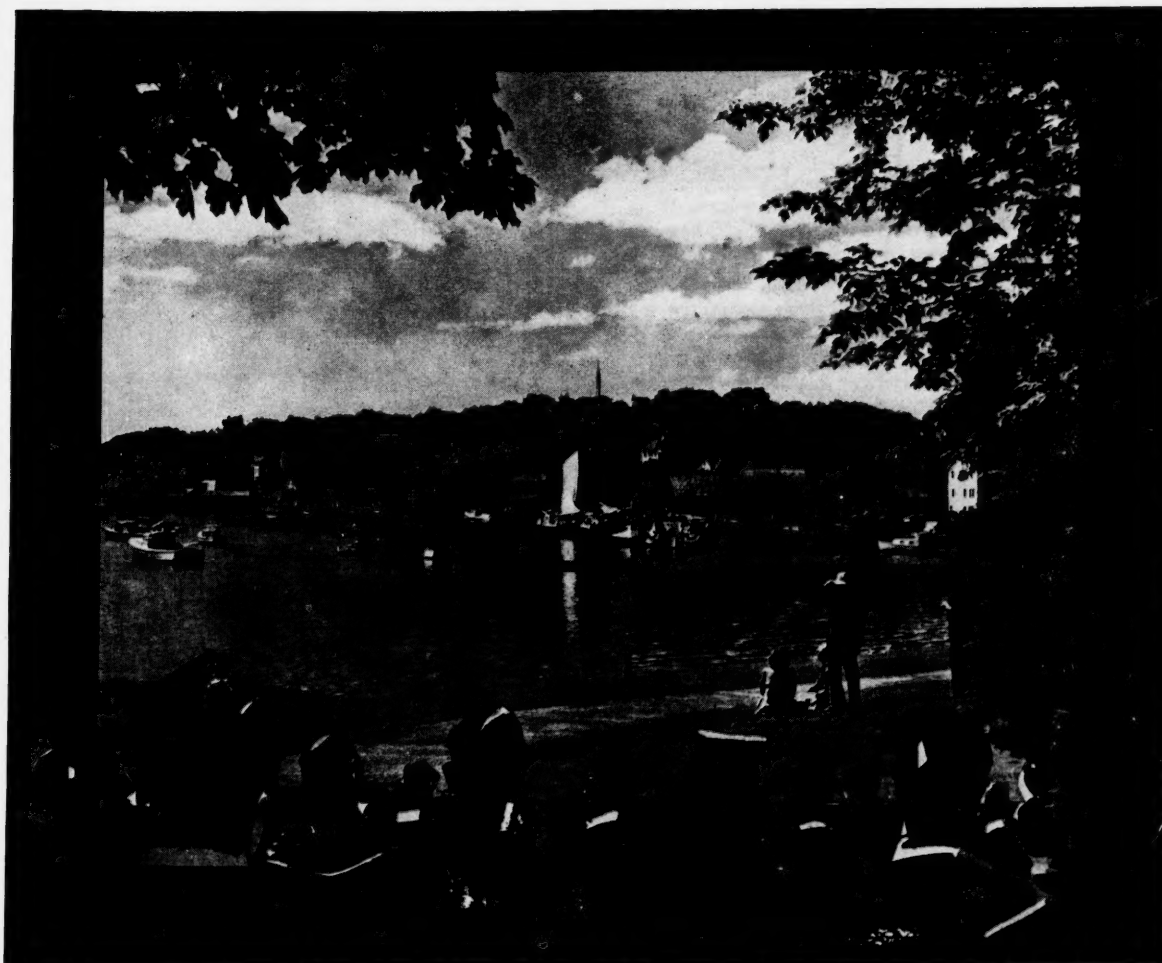


# *The* **NATIONAL** **UNDERWRITER** *Life Insurance Edition*



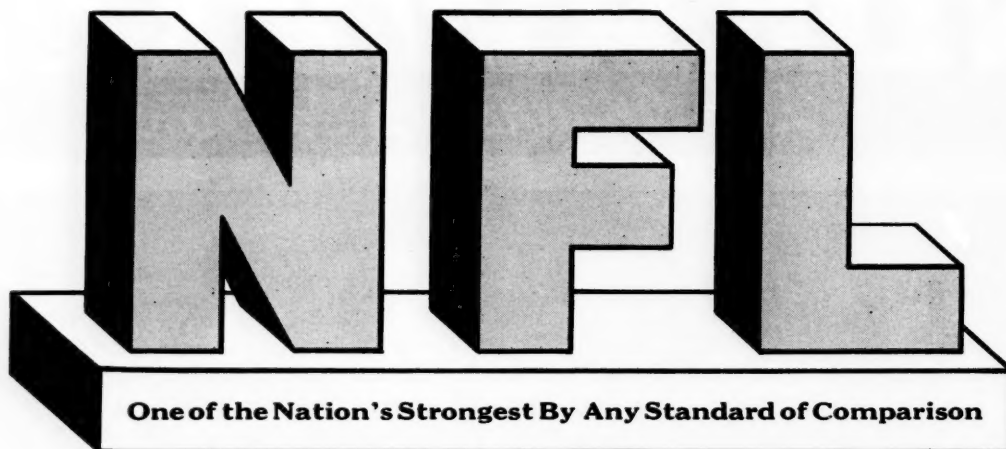
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**FRIDAY, NOVEMBER 16, 1956**



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# The NATIONAL UNDERWRITER

60th Year, No. 46  
November 16, 1956

The National Weekly Newspaper of Life Insurance

## Thore Impales Bugs in Treasury's Bank Loan Curb Proposal

He Favors Its Goal but Questions Administrative Feasibility of Method

While expressing agreement with the Treasury's efforts to remove the tax advantage from the bank-loan plan of buying life insurance, General Counsel Eugene W. Thore of Life Insurance Assn. of America has doubts about the administrative feasibility of the just-announced remedy proposed by the Treasury.



Eugene W. Thore

Addressing the annual meeting of LIAMA in Chicago this week, Mr. Thore said there seems to be general agreement that where the principal motive for buying life insurance on the bank-loan plan is to escape taxation or circumvent the intent of the existing law denying interest deductions on money borrowed to buy single-premium life insurance or annuity policies "the life insurance companies should take a strong position against it."

Listing specific examples of such plans, Mr. Thore said the Treasury contends that in such cases the taxpayers are obtaining the benefit of an interest deduction with respect to funds borrowed and also the benefit of the accumulation in the insurance company reserves of tax-free interest. The Treasury proposal, reported in last week's issue of THE NATIONAL UNDERWRITER, would disallow as a deduction any amount paid or accrued or indebtedness incurred or continued to purchase or carry a life insurance, endowment, or annuity policy if the policy were purchased pursuant to a plan of premium payments or premium settlements which contemplated that a substantial number of premiums would be paid by means of such indebtedness. The suggestion would not apply to loans incurred before Nov. 7, 1956, the date of the ways and means subcommittee report in which the proposal was announced.

"It is established congressional policy that in the case of single premium policies purchased with borrowed funds a deduction should not be permitted for the interest on the indebtedness incurred," said Mr. Thore. "Any plan which attempts to circumvent this policy will undoubtedly lead to the enactment of more restrictive legislation. On the other hand, purchasers of life insurance who find it necessary to borrow funds to pay premiums should not be discriminated against."

"Unless carefully considered, pe-

(CONTINUED ON PAGE 29)

## Great Southern Offers to Purchase Northwestern Nat'l.

Dallas Union Securities Co. of Dallas on the behalf of Great Southern Life has offered to buy Northwestern National Stock at the rate of \$103.50 per share, with the offer expiring Dec. 21 and contingent upon acceptance by holders of 75% of Northwestern stock.

The Great Southern offer evidently came as a surprise to insurance men, and the fact that a purchase offer was to be made was divulged to President John S. Pillsbury Jr. of Northwestern National only Monday, Nov. 12. The bid of \$103½ is the high point for Northwestern National stock, the previous best being \$102 in 1950. In recent weeks, it has been bid in the 80s.

On Nov. 7, Dallas Union Securities asked Mr. Pillsbury for an appointment, without saying at that time what was in the air. Dick Clark and B. F. Houston, vice-presidents of Dallas Union securities, and Pat M. Greenwood, president, and H. Lewis Rietz, executive vice-president of Great Southern, met with Mr. Pillsbury Monday at Minneapolis and at that time said Great Southern, through Dallas Union Securities, would like to buy Northwestern National. Mr. Houston, incidentally, is a director of the Northwestern National. The price or terms were not disclosed. The Texas group met also with six of the Northwestern National directors and told them an offer was to be made.

It was not until the news was flashed on the Dow-Jones ticker Wednesday that the price and terms were made known to Northwestern National management.

If Great Southern succeeds in obtaining 75% of Northwestern National stock, the result, assuming a merger, would be a company with assets of more than \$450 million, surplus of \$33 million, and insurance in force of more than \$2,330,000,000, all based on figures as of Dec. 31, 1955.

Northwestern National stock was bid Thursday at 90, but there is none available.

Newspapers in Minneapolis Wednesday  
(CONTINUED ON PAGE 32)

## New Faces in NAIC to Follow Election

Passe Club International, the organization of ex-insurance commissioners, will have a flurry of membership activity in January when a number of state administrations changes hands. In some states commissioners who have several years to go on their terms may nevertheless find it expedient to remove themselves from office rather than buck an opposition administration.

Six commissioners were up for election Nov. 6 and all of them won out.

In Florida Commissioner J. Edwin Larson was reelected without any opposition whatsoever.

Frank Sullivan of Kansas was reelected. Like Leggett of Missouri and Sullivan of Washington, he is a past president of NAIC and is one of the well liked commissioners.

John J. Holmes won his 7th term as state auditor and insurance commissioner of Montana. He has completed 24 years in this office and is the dean of Montana elected officials. He was also the leader of the Democratic ticket, as he was in 1948. His total vote of 158,371 was 3,507 more than received by President Eisenhower. His opponent, Alex Cunningham, received 98,596 votes.

Charles F. Gold, who has been North Carolina commissioner since 1953, was reelected. On incomplete returns, Mr. Gold, a Democrat, was leading his opponent, David W. Hill, 390,428 to 172,097.

Commissioner A. J. Jensen, Republican, was reelected in North Dakota. No vote figures are available yet.

Another stalwart in the NAIC ranks, William A. Sullivan of Washington, was named to his 7th consecutive four year term by an overwhelming margin. In 4,408 precincts out of 4,782, Mr. Sullivan received a total vote of 537,806 against his Republican opponent Fred C. Becker's 351,000. The indicated margin for Mr. Sullivan is in excess of 200,000. He is the dean of in-

(CONTINUED ON PAGE 21)

## Says Traditional Thinking Can Prove Costly Folly Today

Stanton Hale in LIAMA Presidential Address, Sees Challenge Ahead

The difficulty in any period of great change, such as the present and apparently the future for some time to come, is to avoid the temptation "to think in terms of what used to work and how we used to do things," Mutual of New York's vice-president for sales, warned in his presidential address at the annual meeting of LIAMA at Chicago.

Stanton G. Hale

"Traditional thinking can be very costly in this fast-moving world in which we find ourselves today," he said. "No one can deny that the in-

### OFFICERS ELECTED

President: William B. Stannard, vice-president in charge of agencies, Occidental Life of California.

Directors (3-year terms): E. A. Friedrichs, vice-president and agency director Security Mutual Life, Lincoln, Neb.; Kenneth D. Hamer, vice-president and agency director Pan-American Life; Karl Ljung, vice-president in charge of agency operations, Jefferson Standard Life; Arthur F. Williams, vice-president and superintendent of agencies Crown Life.

dividual policy sale calls for a different approach when the man with a family already has a minimum program for both the protection of his family and retirement for himself, as compared to the man who has little or no insurance at all. I don't doubt that our salesmen today are finding that more and more of their prospects have some 'necessity' coverage provided for them, but what does this really mean?

"My personal reaction to such an outlook is that we are faced with an exciting challenge—a challenge loaded with potential for the agency system. I certainly believe it is no more difficult (and it may well be easier) to sell a luxury product than a necessity product. If our economic history has proved anything for sure, it is that there is no ceiling on the desire of people to improve their position in life—to be willing to make sacrifices in order to establish a little better standard of living than the Joneses.

"Doubling our national income would increase staple food consumption by only a small percent. Two chickens in every pot soon gets fattening. But two

(CONTINUED ON PAGE 32)

## Late News Bulletins...

### N. Y. Rules on Split Dollar for Insurers

Chief Counsel Harris of the New York department has ruled that authorized insurers, which as employers, participate in the split dollar plan may take credit as an admitted asset in their financial statements for sums advanced on behalf of employees, in payment of life insurance premiums to the extent of the cash surrender value of the underlying policy. His rule, in answer to a question submitted to the department, said these conditions were found to be satisfied: The insurer owns the policy, reserving all rights to itself except for proper modifications as recited in the agreement to protect employee interests; the insurer's interest in the cash surrender value is protected by the terms of the agreement in that sums advanced for premium payments automatically create a loan to employees; it reserves the right to require repayment of the loan at any time; the insurer can surrender the policy to the issuing company and receive payment of the cash surrender value, and if the employee dies the loan indebtedness shall be deducted from the benefit proceeds and paid to the insurer.



## PEIRCE MAKES HIS FIRST REPORT

## LIAMA Soon Able to Tell Each Member How It Compares with Similar Insurers

LIAMA will soon be able to give member companies a picture of their operations as indicated by information supplied to LIAMA and also give each member a comparison of its results with those of other comparable companies, Frederic M. Peirce, newly appointed managing director, indicated in his first report in that role at the LIAMA annual meeting at Chicago.



Frederic Peirce

"We have long been concerned that we were not telling you all we knew about you, particularly those of you contributing to our surveys," he said. "We should, we have felt, be able to present to you a picture of your operations as indicated by the information you have been sending us, and to give you a comparison of your results with those of other companies comparable with yours."

"This has been done on the experimental basis, as a forward step in our consultation service, with a few companies this fall. Without exception, the reception has been most enthusiastic. One agency officer went so far as to say, 'I think this is the dawn of a new

era in enhancing the association's help to us.' We are never content without constant improvement."

Mr. Peirce reminded his audience that progress in what LIAMA can do for its members is a joint responsibility.

"You, for your part, have the responsibility in this cooperative undertaking to use the association and to contribute to its growth and progress," he pointed out. "It is a wise agency leader who utilizes every available resource which will enable him to do an increasingly better job."

"As the whole world of life insurance becomes more complex, as product lines diversify, as company standards of performance tighten, as costs of operation increase, as competition for men and business stiffens, and as experimentation, now proceeding at a faster pace than ever before, continues, it is inevitable, if the Agency Management association is to discharge its responsibilities to you, it must keep pace and in so doing will become more complex. It will keep pace! We will keep pace. Just give us the tools of interest and cooperation and we'll do the work!"

In discussing the proper function of LIAMA, Mr. Peirce suggested that it should be more than a mirror, merely reflecting back what it finds in its membership. He asked: "Does not our role have to be one of questioning results, wondering what brought about those results, and seeking out causes? ... We would not be discharging our responsibilities to you if we did not exercise intellectual honesty and constructive criticism with the aim of helping your companies become more efficient."

The new managing director outlined these major ways LIAMA serves its members:

"1. To gather data—all our members will let us—about all phases of life insurance selling."

"2. To digest this information and return it to members so they may know what comparable companies, and the business as a whole, are doing. Then there is a further step: to study the information, to look for cause and effect relationships, and to try to uncover the most efficient and effective methods in all phases of agency management."

"3. To help members use the accumulated knowledge. In this regard, LIAMA's team of management consultants, directed by Lew Chapman, play the major role."

Terming LIAMA's consultation function "a truly unique service to companies," Mr. Peirce said that "the concept of a consultant assigned to your company and functioning as a detached member of your agency department staff has been a major reason for association growth and influence."

Returning to the research program, Mr. Peirce noted that too often, people evaluate LIAMA research only in terms of the tools it produces (examples: *Aptitude Index*, *Sales Method Index*) without realizing fully the impact of research on almost everything the association does.

"Research findings become the basis for most of the things we do and say and print," he said. "The curriculum of our schools in agency management, for example, is based solidly on research. This is true, too, for the material presented in our agent and management training publications. And research broadens and enhances the ability of LIAMA management consultants and staff members to serve companies."

## NALU Leaders Attend, Add Impetus to Ill. Life Agents Parley

By RICHARD J. DONAHUE

PEORIA—A sprinkling attendance of Who's Who from the NALU, plus some vigorous down-to-earth discussion, gave surprising impetus to the mid-year meeting at Peoria last week of Illinois Assn. of Life Underwriters.

The same spirited flavor was carried over into a meeting on the same day of Illinois Leaders Round Table, a top producing group of 400 Illinois life agents who effectively sandwiched in their annual director's meeting and membership luncheon between sessions of the mid-year meeting.

Leaders from National Assn. of Life Underwriters who were present included A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, the new president of NALU; Lester O. Schriver, managing director of NALU, and William E. North, New York Life, Evanston, NALU trustee.

The popular Mr. Nussbaum, who was saluted with a rising ovation, addressed both the state fellowship banquet of the mid-year meeting and the Peoria sales congress the next day. Both these gatherings were at the Hotel Pere Marquette, Peoria, a central Illinois location that always draws a big turnout. Events of the stimulating and successful sales congress are reported elsewhere in this issue.

Illinois Leaders Round Table, a select group, decided to become a little more select by increasing its membership qualifications for agents from \$250,000 annual production to at least \$300,000. Some of the round table members did not think that the \$300,000 qualifying figure was enough. Thomas A. Lauer, Northwestern Mutual, Joliet, said he thought the man who writes only \$300,000 worth of new business in a year's time was in reality a marginal agent earning, at best, about \$7,000 a year and having a whale of a time staying in the business. He said he thought too easy of a qualification figure deprived the round table of its leadership and incentive qualities. However, it was explained that the round table didn't want to be so selective that it would rule out the increased membership it seeks. Also it was pointed out that it is not always an easy task for a combination man to write \$300,000 worth of business in a year.

The round table also decided to increase its dues from \$5 to \$6 a year, but Bernard L. Frazer, retiring president, assured the members that they would get "plenty" for their money. Besides two meetings a year, he said the round table plans to inaugurate two seminars yearly, one to be held in Chicago and the other downstate. Exact location and dates for these proposed seminars have not been decided yet.

Mr. Frazer, who was also second vice-president of the Illinois association, resigned that office at the mid-year meeting. With John Hancock at Dixon, Mr. Frazer is moving to Rockford where he will be assistant general agent for Hancock. Increased duties associated with this change prompted his resignation.

New officers of the round table elected at the Peoria meeting are Dave Dawson, Home Life of New York, Chicago, president; Walter O. Richard, John Hancock, Springfield, 1st vice-president; J. Kenneth Elliott, North-

(CONTINUED ON PAGE 30)

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## HAROLD GARDINER SAYS:

## Field Coaching Far Outranks Other Types of Field Supervision

Field coaching is the most time-consuming method of supervising an agent

but it is unquestionably the most effective, said Harold W. Gardiner, director of education and field training of Northwestern Mutual Life, at the American Management Assn. special conference on the sales supervisor, held at New York.



H. W. Gardiner

Mr. Gardiner said studies made by National Society of Sales Training Executives indicated that 95% of the supervision provided in their sales organizations is done by this method.

"I believe it's indisputable that you don't really know what kind of salesman you have or how he is using his time in the field until you have made field calls with him and seen him in action," said Mr. Gardiner. "Until that experience takes place, all you know about what he is doing is what he tells you that he is doing. He may think he is telling you accurately, but he is not a detached observer so he can't give you an accurate report on what has taken place."

It is important, said Mr. Gardiner, to distinguish between field coaching and the more familiar joint work, which is widely practiced in Northwestern Mutual.

"Basically, joint work involves two salesmen working together on a case, the main objective being to complete the best sale that the situation permits," he pointed out. "In field coaching, the principal objective is for the coach, who must be an experienced life underwriter, to observe the new man in action so that he can give him the benefit of suggestions regarding his solicitation as he actually does it rather than as he thinks he does it. Here the goal is to complete the salesman . . ."

"A good field coach is very careful with the morale of his new men. He makes quite a point of accenting the positive by praising the things that the new agent does well and puts just enough on the negative to bring about correction of the new salesman's faults. Obviously, field coaching calls for a special brand of skill, but it is one of the most rewarding procedures in our kit of supervisory tools."

"There is one final quality in supervision, however, that is an essential ingredient in every successful supervisory plan, and without which no supervisory program will ever be completely successful. This is the genuine personal interest in the salesman on the part of the sales supervisor. It is tremendously important to the salesman to feel and indeed to know that somebody cares about what is happening to him."

## Discusses Marital Deduction

Earl R. Hudson, president of Kennedy Sinclair, Inc., New York City trust advertising and sales training specialists, explained to District of Columbia Life Insurance & Trust Council how failure to plan estates has re-

sulted in many tax payments that could have been saved.

He stressed the estate planning problems of small business owners, and the need to obtain liquidity to pay taxes and maintain the value of the business interest. His topic was "Maximum Advantages in the Application of the Marital Deduction."

## Two Ga. Companies Plan Merger

The boards of Georgia Life & Health and Georgia National Life, both of Atlanta, have approved a merger. Stockholders have been asked to vote on the proposal.

## Insurance Law Forum Held in Brooklyn

An insurance law forum was held Nov. 14-15 at Brooklyn Law School.

Principal speakers were Miss Angela Parisi, chairman of the New York state workmen's compensation board; Arthur H. Lamanda, New York deputy superintendent; James P. Quinn, counsel of Health Insurance Assn. of America; W. H. Barnes, attorney of Metropolitan Life; Abraham Kaplan, New York attorney; Michael H. Levy, chairman of Federated Brokerage Group; Edward M. Fuller, secretary of

Greenwood Mills; Frank Sterritte, general counsel of American International Underwriters, and Harry N. Schechter, New York attorney.

## Strong Is Me. Examiner

Maine department has appointed as examiner Walter J. Strong, Thomaston life agent, to succeed Harold E. Mayo who retired after 18 years service.

Mr. Strong has been a life agent since 1947. Mr. Mayo was with Travelers before joining the department in 1938.

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## Satisfactory Level of Production May Presage Disaster

The mere reaching of a level of production that seems reasonable is never an excuse for relaxation of alertness in management and supervision, Horace R. Smith, superintendent of agencies of Connecticut Mutual, warned at a 1-day seminar that he conducted for the Hawaii Life Managers Assn. at Honolulu.



Horace R. Smith

"At such a moment, defeat may occur without warning," he said. "Unless there has been constant vigilance and complete understanding of the value of wise supervision on a continuous basis, even a million-dollar producer may go into a slump that neither he nor his

management can explain."

The function of management, Mr. Smith said, is to provide wise counsel, strong leadership, and clear-cut example as the neophyte travels from apprentice to career status. Management must be ever alert and this alertness must never relax, because there is always the temptation to "plateauism," particularly when deferred commissions reach proportions where financial pressure begins to ease up.

"Unless men are challenged, they become dull, their job becomes wearisome, and frustration may attack at any time," said Mr. Smith. At the same time, it must be remembered, he said, that "success" is a relative term and that in one situation \$300,000 a year may be a creditable production record while in another an agent should not be satisfied with \$500,000. It is the responsibility of wise agency management to determine appropriate success levels and so train and supervise men that each will get "the soul-satisfying experience of knowing that he has arrived at his success level."

As success keys, Mr. Smith mentioned the ability to keep the agent assured of plenty of interesting places

to go and people to see; development of the art of human relations, persuasion and motivation in the agent, in addition to normal selling skills; development of the agent's skill in self-management; guiding the agent to a gratifying discharge of his duties in civic and community work; and finally molding the agent's attitude toward the other success factors, because until the agent has been sold on their importance to his over-all success, he will either do them poorly or not at all.

## Rash of New Ind. Insurers Provokes Stiffer Regulations

Moving hard to reduce the pace of formation of new stock companies in Indiana, where there has been a 100% increase since 1952 and five more companies are currently in process of formation, Commissioner Davey this week was scheduled to issue a new set of regulations (No. 1956-1) covering organization, promotion, and capital enlargement.

Chief points of attack in the regulations are "tiering" of stock values; promotional trading in stocks of new companies; elimination of "underwriting" companies controlled by officers, directors, and stockholders of the insurance company; and limiting organization and promotion expenses to 10% of the sale price of stock actually sold.

The commissioner's move on the problem of new company formation and promotion comes after it was apparent that the action of the last session of the state's legislature in doubling the capital requirements (to a total of \$300,000) would not slow down the pace.

"Tiering" of stock values (under which procedure each subsequent issue of new stock is valued higher than the last) is attacked in the regulations by a requirement that new stock issued within five years of the date of the company's original license shall be subject to the approval of the insurance commissioner and shall not, save in exceptional cases, exceed 200% of the lowest price at which any shares were previously issued.

In the past in Indiana, new issue valuation has been handled entirely by the securities commissioner.

Promotional trading in new company stocks will be slowed by a requirement that directors, officers, and major stockholders in the company or in any subsidiary or related company (including shares in the name of relatives of such principals) agree they will not, during the period the new stock is being offered and for two years following the termination of the offering, sell or offer for sale any such stock at a higher price than that for which it was acquired.

"Underwriting" companies controlled by anyone or any organization connected with the new insurance company will be deemed, under the new regulations, "in violation of the statutory mandate that 'every insurance company conduct and transact its business in a safe and prudent manner' and 'maintain safe and sound business methods.'"

The device of the "underwriting" company is one under which an organization separate from the insurance company itself holds a contract as the agency for the company through which all new business written must pass and pay an override.

Under the new regulations, organization and promotion expenses, inclu-

sive of commissions paid for the sale of stock, cannot exceed 10% of the sale price of stock actually sold. The figure before the new regulations was 15%.

The new regulations also make other moves to bring the formation of new companies under closer scrutiny by the insurance department than in the past. Complete information about the principals in the new company and all of its organizational steps and activities must be filed with the commissioner. Included in material required to be filed are prospectuses and other promotional literature for use in selling stock.

The new regulations also forbid any tie-in between a promissory note given for the purchase of stock and the purchase of life insurance in the new company or its projected policyholder dividends.

The commissioner pledges in the regulations that in considering questions relating to the promotion and capital enlargement of new companies, he will operate on the principle that "the organization and promotion of new insurance companies on a sound basis is to be commended and encouraged."

## New England Life Unveils Movie about Life in New England

New England Portrait, a half-hour, 16mm color movie on that area, sponsored by New England Life, had a special New York showing at RCA exhibition hall.

The movie interprets the New England character and countryside through a series of seldom-seen shots of places and people and the four seasons. Seventy prints of the film have been made by New England Life. They are available for free loan to community organizations and television stations through Association Films, Inc.

The film, which required more than a year to produce, stars Parker Fennelly, who became famous as "Titus Moody," the laconic Yankee on Fred Allen's radio show.

The picture was not designed to be a series of familiar, often-photographed historical sites or landscapes. The camera crews traveled more than 18,500 miles and logged more than 40 hours in the air to get the shots they were after. In a single day they photographed a harbor scene on Nantucket, a lobster shack in Maine and the Mt. Washington cog railway.

The film is woven around a young artist searching to put "New England" character into his work. A lobster fisherman tells him that the New England spirit is an elusive quality, but that it can be found by studying the weather and the land.

The non-commercial film, which was made after New England Life received the enthusiastic backing of the development commission in each state, makes a special effort to include the contribution made by each state to the New England character. The Boston trustee, the skilled Connecticut craftsman, Rhode Island's "independent man," the Maine lumberjack and the resourceful men who design ski towns in New Hampshire and tap maple trees in Vermont are all portrayed. The film was enthusiastically received by the Governors of the six New England states at an earlier preview.

Allen D. Harmer, secretary of Minnesota Mutual Life, was speaker at the semi-annual meeting of Twin Cities Women's Life Underwriters Assn. His topic was sales methods.

## Special Life Income Endowments for PENSION & PROFIT SHARING PLANS plus guaranteed issue consideration

### 1 SPECIAL LIFE INCOME ENDS.

- Designed for the market
- Competitive in cost and benefits for pension planning with regular plans.

### 2 SPECIAL LIFE INCOME ENDS. with special values for the special needs of contributory Profit Sharing or Trusteed Savings Plans.

### 3 LIFE PLANS with Special Investment Riders.

### Another ANICO SALES LEADER among 30 "On Target" Plans such as

- ANICO CO-OP PENSION PLAN
  - \* Designed for the small employee group.
  - \* Priced for the small employee group.
- JUMPING JUVENILE W. L. - 5 for 1 at 21. And insured can get all premiums back at 65 plus a profit - if desired.
- SPECIAL MTG. PLAN - covers death or temporary disability. Something new in this big field.
- Complete Sub-Standard consideration. Franchise. Bank Draft. Non-Medical.

Openings everywhere in territory for REPRESENTATIVES, BROKERS, SPECIAL BROKERS

Inquiries about these or other openings for those with special qualifications and experience will receive prompt attention and answer. For information address:

COORDINATOR OF SALES



AMERICAN NATIONAL INSURANCE Co.

GALVESTON, TEXAS

MORE THAN 3 BILLIONS 500 MILLIONS OF INSURANCE IN FORCE





ROBERT J. MURPHY

Here is a record of Robert J. Murphy's cash earnings for the past four years:

1952 . . . .	\$10,295.08
1953 . . . .	9,506.60
1954 . . . .	13,357.01
1955 . . . .	14,407.49

GENERAL AGENCY  
OPPORTUNITY IN  
ANN ARBOR, MICHIGAN

## I Had No Previous Sales Experience...

Chicago, Illinois  
August 20, 1956

Mr. Francis J. O'Brien, Vice President  
Franklin Life Insurance Company  
Springfield, Illinois

Dear O'B:

I have many times thanked God for the eventful day that I purchased the President's Protective Investment Plan, and thereby became personally interested in joining the great Franklin organization. Lady Luck must have smiled on me that day.

When I purchased our President's Plan my good friend, Regional Sales Director F. J. Budinger, convinced me that if I liked it so much I could make it possible for others to purchase our wonderful plan. With no previous sales experience, and no knowledge of life insurance, I qualified for one of those wonderful Franklin conventions for myself and my wife during my first four months with the company.

With Franklin's wonderful plans plus the friendly help and cooperation I have received from the Franklin folks, it was no time before I was on my way to a successful career in the life insurance business. Last year I sold over \$650,000, and will do considerably better this year. Last month my personal production totaled \$110,000, although some of my time is now being diverted to the building of an agency, and this is a thrilling experience. Before long I expect to be producing a million a year personally.

I shall always be grateful to President Becker and his associates for providing me with such fine precision tools with which to work. These special Franklin plans, coupled with my efforts, are alone responsible for my present prosperity and good fortune.

Sincerely yours,

Robert J. Murphy

*An agent cannot long travel at a faster gait than the company he represents!*



*The Friendly*  
**FRANKLIN LIFE INSURANCE COMPANY**

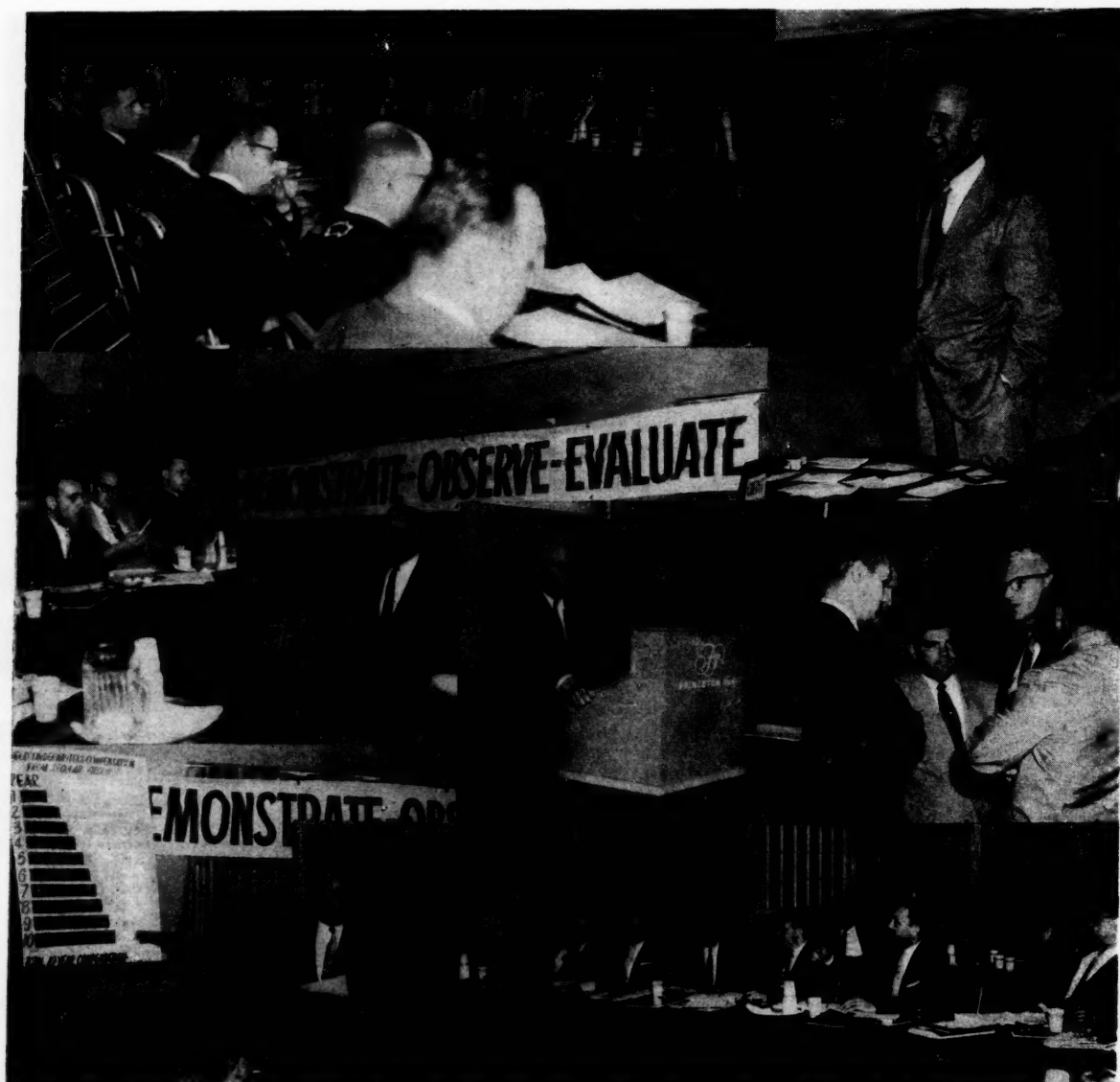
CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

*The largest legal reserve stock life insurance company in the U.S. devoted exclusively to the underwriting of Ordinary and Annuity plans*

*Over Two Billion Two Hundred Million Dollars of Insurance in Force*



## **SEMINAR FOR MANAGERS-IN-THE-MAKING▶**





*Home Life's  
Management Development Program*

# GATEWAY TO OPPORTUNITY

**O**N THE OPPOSITE PAGE are pictures taken during an Assistant Managers Training Seminar held recently by Home Life at Princeton, N. J. The 30 men who attended this meeting are truly "managers-in-the-making."

Seminars such as this one are only one phase of a well-organized program of management advancement at Home Life. For a number of years, this company has recognized that its future growth depends on the development of qualified management. With advancement from within as its guiding principle, the company inaugurated a carefully mapped-out program of management development.

It is a comprehensive program, flexible enough to accommodate men in various stages of development yet rigid enough to assure its "graduates" of a solid foundation for success. The first stage of the program is designed primarily for the younger man. During an 18-month period, he gets a thorough grounding in life insurance fundamentals, assisting in agency administration and sales management. After an initial period of training, he becomes a "Management Assistant" and begins to get sales experience under the close guidance of the agency's manager and assistant manager.

Full-time field underwriting is the next stage. Following Home Life's Balanced Field Activity Program, the management candidate begins to build a clientele through "Planned Estates" and Group insurance service. To help him, the com-

pany provides a course of on-the-job training, home office training and additional specialized instruction at advanced seminars. Throughout this period, the individual is carefully observed by the agency manager and home office sales management personnel. Just as soon as he is ready for management responsibilities, he is advanced to assistant manager of the agency.

In this position, he assists in all phases of agency management—recruiting, training and direction. He moves from here either directly to the management of his own agency or to an intermediate phase as an Agency Field Assistant in the home office, where he gains valuable experience in handling the varied management problems of a group of agencies.

Home Life has always been known as the "company of opportunity." It is especially appropriate now, for this company is in the midst of an unprecedented ten-year program of expansion. By 1965, according to plan, Home Life will have opened 30 new agencies and 18 new market areas with a proportionate increase in the manpower of present agencies. The ten-year plan represents a tremendously increased need for qualified management personnel—*during the ten-year period the company will have 55 agency manager openings!*

In this atmosphere, Home Life's Management Development Program becomes more important than ever. It is indeed a "gateway to opportunity" at Home Life.

## HOME LIFE INSURANCE COMPANY

256 BROADWAY, NEW YORK 8, N. Y.

*"A Company of Opportunity"*

W. P. Worthington, President

J. H. Evans, Vice President-Sales



## Health Needs of Aged Due for Scrutiny by New Congress: Neal

Considerable attention will likely be devoted when the new Congress convenes next year to the health needs of aged, Robert R. Neal, general manager of Health Insurance Assn. of America, told the annual conference of LIAMA at Chicago.



Robert R. Neal

Mr. Neal said the new Congress may also consider legislation dealing with health insurance measures, but he said it was quite apparent that the health needs of the nation constitute a potent political question and there appears to be no great distinction between the outlook of the major parties.

The needs of the aged will probably be the first health issue to be considered, he said, "and in my estimation we should anticipate considerable attention being devoted to this topic."

Regarding health reinsurance legislation and proposals for pooling risks and experience of health insurers, Mr. Neal predicted that two bills previously sponsored by the Department of Health, Education & Welfare to stimulate development of A&S coverage on an experimental basis will again be introduced. He pointed out that President Eisenhower's platform contained both proposals.

"The first of these was the administration's reinsurance bill, sometimes commonly referred to as the 'Hobby bill', a measure which would have the federal government act as a reinsurer for experimental coverages," Mr. Neal said.

"A second bill would authorize companies which pay less than 1% of the total accident and health benefits paid in the previous year to organize voluntary pools for the purpose of experimenting with new or additional coverages and be relieved from the operation of the anti-trust laws while thus acting in concert."

Mr. Neal also discussed developments during 1956 which resulted in the amendments to the social security act; the program for providing hospital and medical care for the dependents of servicemen, called "medicare"; developments in the proposed medical program for federal employees, and the current status of the A&S insurance advertising investigation conducted by the FTC and the ensuing litigation.

As to developments in the social security area, Mr. Neal said that historically, amendments to the social security act have come in election years, and while it presently seems unlikely that further amendments will be offered next year, it would appear almost certain that there eventually would be efforts to remove the present age limit of 50 at which workers may now retire for total and permanent disability.

## Brown to Testify on Bank-Loan Curbs at Hearing Nov. 19

Gerard S. Brown, Penn Mutual, Chicago, a member of the National Assn. of Life Underwriters federal law and legislation committee and until recently its chairman, will testify before the House ways and means subcommittee on internal revenue taxation at the hearing scheduled for Nov. 19 at Washington.

NALU favors legislation restricting the sale of life insurance on the bank-loan plan and approves of the Treasury approach recently announced by Subcommittee Chairman Mills of Arkansas. As reported in last week's

issue of THE NATIONAL UNDERWRITER, it would disallow as a deduction any amount paid or accrued on indebtedness incurred or continued to purchase or carry a life insurance, endowment or annuity contract if the policy was purchased in pursuance of a plan of premium payments or premium settlements which contemplated that "a substantial number" of premiums would be paid by means of such indebtedness.

However, NALU is mindful of the problem of drawing the legislation so that it would not interfere with normal borrowing on life insurance policies.

The Treasury's proposal to restore partly the premium-payment test for estate taxability of life insurance proceeds is flatly opposed by NALU. The test would be applied only where the insured had given up all incidents of ownership but had continued to pay the premiums. It would include for estate tax purposes the excess of the face amount over and above the cash value or perhaps the policy reserve. It would be taxed in proportion to the extent that the insured had paid the premiums.

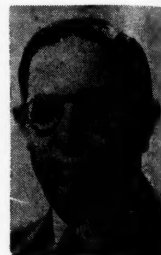
For example, if a decedent had \$50,000 of insurance with a reserve or cash value of \$20,000, the amount to be included for estate taxation purposes would be \$30,000. If the insured had paid half the premiums and his wife had paid half (assuming he had given up all incidents of ownership) then the amount to be included for estate tax would be \$15,000.

The Treasury is reported to believe that restoration of this much of the premium payment test would add between \$12 million and \$15 million revenue a year.

New York Life has opened a second Indianapolis office at 432 Illinois building, 17 West Market street. The other office at 500 Kahn building, 7 North Meridian street, has been remodeled.

## Nussbaum Tells LIAMA How He'd Run a General Agency

"If I were a general agent, I would want to inspire my men to climb to greater heights rather than to permit them to use me as a crutch to lean on," A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, president of National Assn. of Life Underwriters, told agency department executives at LIAMA's annual meeting in Chicago.



A. J. Nussbaum

"It would be my job to train my agents to improve their selling techniques continually—either from my own experience or from studies I had made," Mr. Nussbaum added. The title of his talk was "What Would I Do?"

Mr. Nussbaum outlined the plan he would follow if he were a general agent:

"Each man would be trained to sell one single specific need," he said. "As he became proficient in one idea, I would start him on the next one. I would insist upon his selling specific needs until he had mastered all of them. At the appropriate time, I would show him how to coordinate all of the single specific needs and train him to program."

Mr. Nussbaum suggested that he would do this by having the agent go to a client he has already sold and ask if he might coordinate the man's life insurance. In this way, the agent can get into programming and, at the same time, continue his single needs method of selling. The transition would be gradual instead of complete change.

If he recruited a "blue-blood" agent, one with real contacts, Mr. Nussbaum would have him follow the same pattern, and in addition he would ask him to get the information required for programming and/or estate analyses.

"When the information was brought in, I would digest it, analyze it and prepare a brief to be presented to the prospect, so that the agent could get the feel of selling, as well as the opportunity of making use of his contacts immediately in a professional manner."

Mr. Nussbaum pointed out that one of the problems facing old as well as new agents, is calling on friends. He outlined his own method on this score.

He said he would try to diversify his agency. "By that I mean that I would love to have MDRT members, but I would want to develop men whose market would be the blue collar group...prospects who can buy between \$10,000 and \$25,000. Many of these men are underinsured."

"I would not want to hire a supervisor too soon. I would get in the habit of working so that my men would respect me for the job I do. When I felt that I couldn't take it any longer, then I would certainly hire some help. In other words, he said, "I would not become an executive too soon. One thing I would never say is that if I had to do it over again, I would be back in personal production. I know that this door

(CONTINUED ON PAGE 32)

## There's Something Special About a Maccabees Agent

### His new "special" puts BUY in the prospect's eye!



The Maccabees Agent has a new tool to work with. Called the Whole Life Special Plan, it is an economy \$10,000 life insurance package that opens new doors to quality business.

Prospects are readily interested in the modest premiums this plan offers. For example, a man age 35 pays only 44¢ a week per thousand dollars of insurance on an annual basis.

If you'd like to put "buy" in your prospect's eye, write to Robert O. Shepler, Field Director. There are excellent opportunities for rapid advancement in many territories of the United States and Canada.

**THE MACCABEES**  
— a Life Insurance Society

The Maccabees Building • Detroit 2, Michigan

Founded in 1878

Offices in principal cities of the United States and Canada







"EVER FEEL LIKE you were walking a tightrope? I did once. It was always a challenge to me whether or not I would make it to the end of the tightrope that stretched from one paycheck to the next. You see, the security of my job seemed about as permanent as the moment. That's when I learned the importance of looking into company stability before accepting a job.



"I LEARNED my lesson well. And today, I have 89 years of stability behind me—in a company that has consistently grown and expanded through wars and booms and depressions. The Union Central Life Insurance Company, operating in 46 states, the District of Columbia and Hawaii. A major company with more than two billion dollars of life insurance in force.



"SURE, I KNOW there's always a market for life insurance, regardless of economic conditions. But you've got to know how to serve the market effectively. My company does—provides a complete line of low-cost policies issued from birth to age 70 to meet every individual life insurance need. And it constantly develops new ways to meet changing times and changing needs. Good reasons why The Union Central is sure to remain among the top ten companies in average size of sales. Also good reasons why I've got a lot of good years ahead."



**JOB STABILITY**, is just one of Union Central's many career advantages. Others include: choice of job location; thorough, effective training facilities; liberal retirement and pension plans; unlimited opportunities for advancement, in sales, management, administration. In addition, The Union Central actively supports its men in the field with scientific prospecting procedures, a wide variety of sales presentations to fit every type of market, research-tested promotional material—whatever the agents need to stimulate interest and conviction. So if you're interested in a career with a long-range future, drop us a line and we'll be glad to arrange an interview at one of our local offices near you.

**THE UNION CENTRAL LIFE INSURANCE COMPANY**  
CINCINNATI

*One of America's great companies—with over two billion dollars of life insurance in force!*

■ This ad is designed to be of service to young men contemplating a career in life insurance.

**ADAMS TELLS LIAMA:****Life Insurance Aid Needed in Beating Sound Money's Foes**

Efforts of the Federal Reserve Board to check inflationary forces are



Claris Adams

under strong attack from those who want to see the return of "easy money" and the influence of the life insurance business should be thrown against those who would bring on inflation again, Claris Adams, executive vice-president and general counsel of American Life Convention, told the LIAMA annual meeting at the Edgewater Beach hotel in Chicago.

Mr. Adams pointed out that life insurance policyholders have a very direct interest in maintaining sound fiscal policy, because one of its results has been considerable increase in the interest rates earned by life companies for their policyholders, thus enabling more people to provide more life insurance protection for their families at a better price than during "the long years of the easy money policy which ate away the savings of the people."

Indicative of the efforts to get interest rates down is the fact that a congressional committee will open an investigation into interest rate rises in December, Mr. Adams noted.

Besides the fact that higher interest rates lower the cost of life insurance, Mr. Adams pointed out that when people invest in life insurance they diminish the pressure of current demand for goods and services and thereby help keep prices down, while at the same time funds accumulated by life companies automatically increase the supply of investment capital to finance the basic businesses of the nation. Hence every dollar paid for life insurance under current conditions helps the stability and soundness of the economy.

**Mutual of N.Y. Offers Comprehensive Medical Plan for its Employes**

Mutual of New York has put into effect a new contributory comprehensive medical expense plan for salaried employes at the home office and in the agency offices. The company and the employes, 90% of whom are participating, share the cost equally.

The plan, replacing Blue Cross and Blue Shield, provides an employee, the spouse and children with benefits up to \$7,500 per person for hospital, maternity, surgical and general medical expenses. It covers expenses in or out of the hospital, leaving choice of doctor and hospital up to the employee.

The percentage of expenses paid by the plan and the size of the deductible vary according to the salary of the employee in a way that provides greater benefits for lower salaried personnel. It pays the first \$500 of hospital charges in each calendar year. Employes annually pay the first medical and surgical charges of \$50, \$75, \$100, \$125 or \$150, depending upon salary, with the higher salaried persons paying the larger deductibles.

If hospital charges exceed \$500 or

if medical and surgical expenses exceed the deductible, the plan will pay these percentage shares of the excess: 85% if the employee's annual salary is below \$7,500; 80% if salary is \$7,500 to \$9,999; and 75% if salary is \$10,000 or more.

Depending on his needs, the employee can elect a plan which covers only himself, or covers him and his dependents. Eligible dependents include the spouse, unmarried children up to age 19 or through 23 if they continue to be dependent on the employee for the major part of their support.

**Life Insurance to Play Larger Role as Source of Capital: Johnson**

Holgar J. Johnson, president of Institute of Life Insurance, told the golden jubilee banquet of Canadian Life Underwriters Assn. in Montreal that the role of life insurance as a major source of capital will be materially increased in the years ahead.

The pooled savings of many people have replaced individual capitalists in a good portion of the financing of

business and industry, Mr. Johnson said.

In the U. S., he said, life insurance dollars are the source of capital for more than half the funded debt of the public utilities and nearly half the funded indebtedness of the railroads.

At the start of last year, life insurance dollars in Canada accounted for 55% of corporate bonds outstanding, 30% of municipal bonds, 20% of provincial bonds and 30% of total mortgage debt.

# PHOENIX LEADS

**EXECUTIVE EQUITY PROTECTOR****A WHOLE LIFE PLAN — CASH VALUE EQUALS FULL RESERVE****AT END OF FIRST AND SUBSEQUENT YEARS****ILLUSTRATION OF CASH VALUES**

AGE	ANNUAL PREMIUM	END OF YEAR							
		1	2	3	4	5	10	15	20
35	\$24.12	\$18	\$35	\$53	\$ 70	\$ 88	\$181	\$276	\$372
45	34.34	24	47	70	93	117	234	349	459
55	51.59	31	61	91	121	151	295	427	546

- \$25,000 minimum policy.
- Issued to 500% mortality.
- Full retention to \$500,000 — without reinsurance, ages 16-75.
- First Year Commissions — 25% to age 55; 20% ages 55 to 65; and 20% of age 65 premium for ages over 65.
- Our limit considered on photostatic copies of other companies' papers.
- Renewals — nine 10's.

## PHOENIX MUTUAL LIFE INSURANCE CO



## Life Medicine Board Seats Dr. Pepper as Chairman at Annual

Dr. D. Sergeant Pepper, associate medical director of Connecticut Mutual, was installed as chairman of Board of Life Insurance Medicine to succeed Dr. J. Raymond Hutchinson, vice-president and medical director of Acacia, at the 3-day annual meeting in New Orleans.

Dr. Archibald C. Wilson, medical director, reinsurance, of Connecticut General, and Dr. Paul H. Langner Jr.,

medical director of Provident Mutual, are vice-chairman and secretary, respectively. The three officers, Dr. Hutchinson and Dr. Milton H. Clifford, associate medical director of New England Life, make up the executive committee.

Passing oral examinations for certification by the board were Dr. Van H. Gunter, assistant medical director of Jefferson Standard; Dr. Vincent G. Hammond, medical director of Security Mutual of Binghamton; Dr. John S. Pearson, medical director of American United; Dr. John G. Ross, asso-

ciate medical director of Mutual Life of Canada, and Dr. Richard B. Sinder, assistant medical director of New England Life. Sixteen more candidates will be examined orally in other cities this winter.

The board will sponsor lecture courses covering all phases of medical and lay underwriting, including actuarial and legal aspects, the week of May 20 at Hartford. Courses on fundamentals and non-medical aspects of life insurance medicine, given in New York in previous years, will be combined and given in one course under the new plan.

## New Mortality Table Rates are 60% Below CSO's At Certain Ages

WHITE SULPHUR SPRINGS, W. Va.—A new life insurance mortality table, reflecting the substantial improvements in mortality in the past 20 years, was presented to the Society of Actuaries' annual session here.

These mortality improvements already have been reflected in the actual costs of life insurance to the public and thus the new table would have little effect on such costs.

The table shows rates of mortality at certain ages running as much as 50% or 60% under the rates in the current table, adopted in 1948 and based on mortality experience in 1930-1940. The improvement is greatest at the younger ages, but is still substantial at most older ages.

The proposed mortality table was prepared by a committee of the society. When approved, it will be presented to a special committee of the National Assn. of Insurance Commissioners.

The new table represents one of the achievements of electronic processing machines, the work on it having taken a tenth of the time required to prepare the present table during the 1940s.

Here is a comparison of death rates per 1,000 under the new table and under the present CSO table based on mortality in the 1930-1940 decade: age 20, 1.39 vs 2.43; age 30, 1.77 vs 3.56; age 40, 3.08 vs 6.18; age 50, 7.48 vs 12.32; age 60, 19.51 vs 26.59.

It is generally understood that the new mortality table, if finally adopted, would be a permissive standard of valuation of policy reserves and possibly also for the calculation of nonforfeiture benefits.

The new table will also be helpful to companies which now must maintain deficiency reserves because the premiums they charge, based on actual experience, are less than the net premiums computed on the older mortality table which does not reflect the improvement in mortality in recent years. However, the adoption of the table would have little effect on the cost of insurance to policyholders, since the actual cost already reflects the improvement in mortality, through the dividend scale in mutual companies and through the gross premiums charged in stock companies.



Gordon H. Little, (right) Mutual Benefit Life, Baltimore, was awarded plaques as the leader in volume and earnings at the annual meeting of first-year leaders held at New York. He is shown with Mrs. Little and Charles G. Heitzberg, 2nd vice-president and director of agencies.

# KMUTUAL SAGAIN!

## NEW LOW ANNUITY RATES

### RATES REDUCED — COMMISSIONS RAISED ON SINGLE PREMIUM LIFE ANNUITIES

#### SINGLE PREMIUM FOR \$100 ANNUAL INCOME

		Age 45	Age 55	Age 65	Age 75	Age 85
NON-REFUND	MALE	\$2,190	\$1,712	\$1,225	\$ 794	\$ 462
	FEMALE	2,400	1,944	1,440	981	568
INSTALLMENT REFUND	MALE	2,310	1,909	1,490	1,088	818
	FEMALE	2,470	2,061	1,634	1,280	930

#### ADDITIONAL SINGLE PREMIUM PLANS AVAILABLE

- Deferred Installment Refund Annuities
- Joint and Survivorship Annuities

COMMISSIONS INCREASED TO 2½%

# COMPANY OF HARTFORD, CONN.

## Give Timetable for NAIC Convention in Miami Beach

The hour-by-hour program of committee meetings and plenary sessions, and the topics that are to be taken up are listed for the regular meeting of National Assn. of Insurance Commissioners, scheduled for Dec. 3-7 at the di Lido hotel, Miami Beach, Fla.

Matters exclusively of interest to fire and casualty insurance persons are not included.

Dec. 3, 1956

9 a.m.—Subcommittee on examinations practice and procedure manual revision, chairman, Jackson by deputy commissioner Coppage, Maryland. (1) Should names of zone chairmen be continued on manual page 1. (2) Any other matters submitted for consideration.

10 a.m.—Subcommittee of accident and health on state laws governing misleading and deceptive advertising, chairman, Pansing, Nebraska. (1) Reports of NAIC zone representatives. (3) Any other matter submitted for consideration.

10 a.m.—Subcommittee of accident and health on house confinement provisions in policies of A&S insurance, chairman, Berry, Colorado.

11 a.m.—Subcommittee of accident and health on interpretation of NAIC rules governing advertisement of accident and sickness insurance, chairman, Pansing, Nebraska. (1) Changes in NAIC rules governing advertisement. (2) Changes in "interpretive guide." (3) Any other matters submitted for consideration.

11 a.m.—Subcommittee of life insurance to study the subject of group life, chairman, Howell, New Jersey.

11 a.m.—Subcommittee of non-profit hospital and medical associations on extended maternity benefits, chairman, Jackson, Maryland. (1) Any matter submitted for consideration.

1 p.m.—Subcommittee of life insurance on deficiency reserves, chairman, Howell, New Jersey. (1) Any matter submitted for consideration.

1 p.m.—Subcommittee of non-profit hospital and medical associations on the problem of reimbursement formula between hospital and service associations, chairman, Davey, Indiana. (1) Any matter submitted for consideration.

2 p.m.—Subcommittee of accident and health to study reserves for guaranteed renewable A&H policies, chairman, Holz, New York. (1) Any matter submitted for consideration.

2 p.m.—Subcommittee of life insurance on variable annuities, chairman, Pryatel, Ohio. (1) Any matter submitted for consideration.

3 p.m.—Subcommittee of executive to study future sites for NAIC meetings, chairman, Holz, New York. (1) Any matter for consideration.

3 p.m.—Subcommittee of accident and health to study problems incident to cancellation of A&S policies, chairman, Davey, Indiana. (1) Any matter submitted for consideration.

3 p.m.—Subcommittee of life insurance on commercial pension funds and trustee welfare funds, chairman, Navarre, Michigan. (1) Any matter submitted for consideration.

5 p.m.—Preservation of state regulation committee, chairman, McConnell, California. (1) Any matter submitted for consideration.

5 p.m.—Examinations committee, chairman, Taft, Wyoming. (1) Examinations practice and procedure manual revision subcommittee report. (2) Any other matter submitted for consideration.

Dec. 4, 1956

9 a.m.—Executive committee meeting, chairman, Saunders, Texas. (1) Executive committee report of 10/30/56 meeting. (2) To study future sites for NAIC meetings subcommittee report. (3) Assistant secretary's report. (4) Assistant secretary's office. (5) Blanks committee report. (6) Preservation of state regulation committee report. (7) Any other matters submitted for consideration.

10:15—Plenary session, president, Taylor, Oregon.

1 a.m.—Publication of reports.

Dec. 5, 1956

9 a.m.—Laws and legislation committee to study the advisability of a uniform surplus line law subcommittee report, chairman, Berry, Colorado. (1) Organization of insurance companies (Tenn.). (2) Admission of out-of-state companies (Tenn.). (3) Desirability of uniform countersignature laws (Colo.). (4) Any other matters submitted for consideration.

9 a.m.—Non-profit hospital and medical service associations or similar organizations committee, chairman, Pryatel, Ohio. (1) Extended maternity benefits subcommittee report. (2) The problem of reimbursement formula between hospitals and service associations subcommittee report. (3) Historical data on hospital service associations and relationship to present problems. (4) Outline for preparation of report. (5) Any other matters submitted for consideration.

10:30 a.m.—Life insurance committee, chairman, Larson, Florida. (To study the subject of group life subcommittee report. (2) Commercial pension funds and trustee welfare funds subcommittee report. (3) Variable annuities subcommittee report. (4) Deficiency reserves subcommittee report. (5) Any other matter submitted for consideration.

Dec. 5, 1956

12:30—Passe Club International, luncheon meeting.

2:30 p.m.—Insurance covering all installment sales and loans committee, chairman, Larson, Florida. (1) Relationship of finance companies to affiliated insurance companies. (2) Rate structure in credit life and credit A&H including loss ratios and other component elements. (3) Any other matter submitted for consideration.

3:30 p.m.—Valuation of securities committee, chairman, Humphreys, Massachusetts. (1) Valuation of securities subcommittee report. (2) Preferred stock valuation stabilization formula (life) (Iowa). (3) Any other matters submitted for consideration.

5 p.m.—Accident and health committee, chairman, Knowlton, New Hampshire. (1) To study reserves for guaranteed renewable A&H policies subcommittee report. (2) On company reports on individual A&H claim settlements subcommittee report. (3) To study problems incident to cancellation of A&S policies sub-

## M. E. Davis Succeeds Anderson as Head of Society of Actuaries

Malvin E. Davis, vice-president and chief actuary of Metropolitan Life, was elected president of Society of Actuaries at the annual meeting at White Sulphur Springs, W. Va. He succeeds William M. Anderson, president of North American Life of Toronto.



M. E. Davis

Elected vice-presidents were Henry F. Rood, vice-president of

Lincoln National Life, Dennis N. Walters, president-elect of Bankers Life of Iowa, and John H. Miller, vice-president of Monarch Life.

Mr. Davis, who became a fellow of the society at the age of 25, has been prominent in actuarial activities for many years. He has been with Metropolitan since 1923 and an officer of the company since 1930. He is an authority on the application of large-scale electronic equipment to life insurance work and was head of the society's committee on electronic operations. He won the Elizur Wright prize for his book, *Industrial Life Insurance*.

## Tax Unit's Silence On Treasury Plan Cheers Bank-Loan Proponents

NEW YORK—Failure of the joint congressional tax committee staff to take a stand on the treasury's proposal for curbing what the Treasury calls the special tax advantage enjoyed by the bank-loan plan of buying life insurance is viewed as highly encouraging by proponents of the bank-loan plan.

Gustave Simons, New York attorney, interested in the bank-loan plan, points out that on page 1 of the recently released report of the Mills subcommittee of the ways and means committee there is a note saying: "Reference to either the Treasury or joint committee staff alone means either that the staff not mentioned is uncertain as of this time whether the solution suggested is the correct one or believes the suggested solution to be inappropriate."

Of the 33 suggestions for remedying "unintended benefits and hardships" in the 1954 revenue act, only three lacked the joint committee's concurrence. One of these is the bank-loan plan proposal. The other is the Treasury plan for partial rotation of the premium-payment test for estate tax liability of policy proceeds. The third has no bearing on life insurance.

committee report. (4) On state laws governing misleading and deceptive advertising subcommittee report. (5) On interpretation of the NAIC rules governing advertisement of A&S insurance subcommittee report. (6) House confinement provisions in policies of A&S insurance subcommittee report. (7) Definition of the term "non-cancellable insurance". (8) Any other matter submitted for consideration.

Dec. 6, 1956

9 a.m.—Executive (A) committee, chairman, Saunders, Texas.

2:30 p.m.—Plenary session 2, president, Taylor, Oregon. (1) Committee reports submitted for discussion.

Dec. 7, 1956

9:30 a.m.—Plenary executive session—3, president, Taylor, Oregon. (1) Committee reports final action. (2) Election. (3) Any matter submitted for consideration.

# BERKSHIRE PRESENTS THE MOST COMPLETE LINE OF RETIREMENT INCOME PLANS WITH LOWER RATES THAN EVER BEFORE



All \$5,000 Minimum Plans in Improved, Expanded Line are "Specials" — One to Fit Every Purse!

Now—*Specials Across the Board* on all \$5,000 minimum plans makes our *complete Retirement Income line* the broadest, most attractive in the industry. New policies or new low costs: in a choice of plans written with 5 or 10 year certain periods . . . a special plan for persons whose earning period is limited, or who wish to build equities more rapidly . . . a plan for those who want to combine high initial protection with moderate retirement income. *All retirement prospects can be interested — and sold! Get ALL the extra-saleable features and easy-to-explain details.*

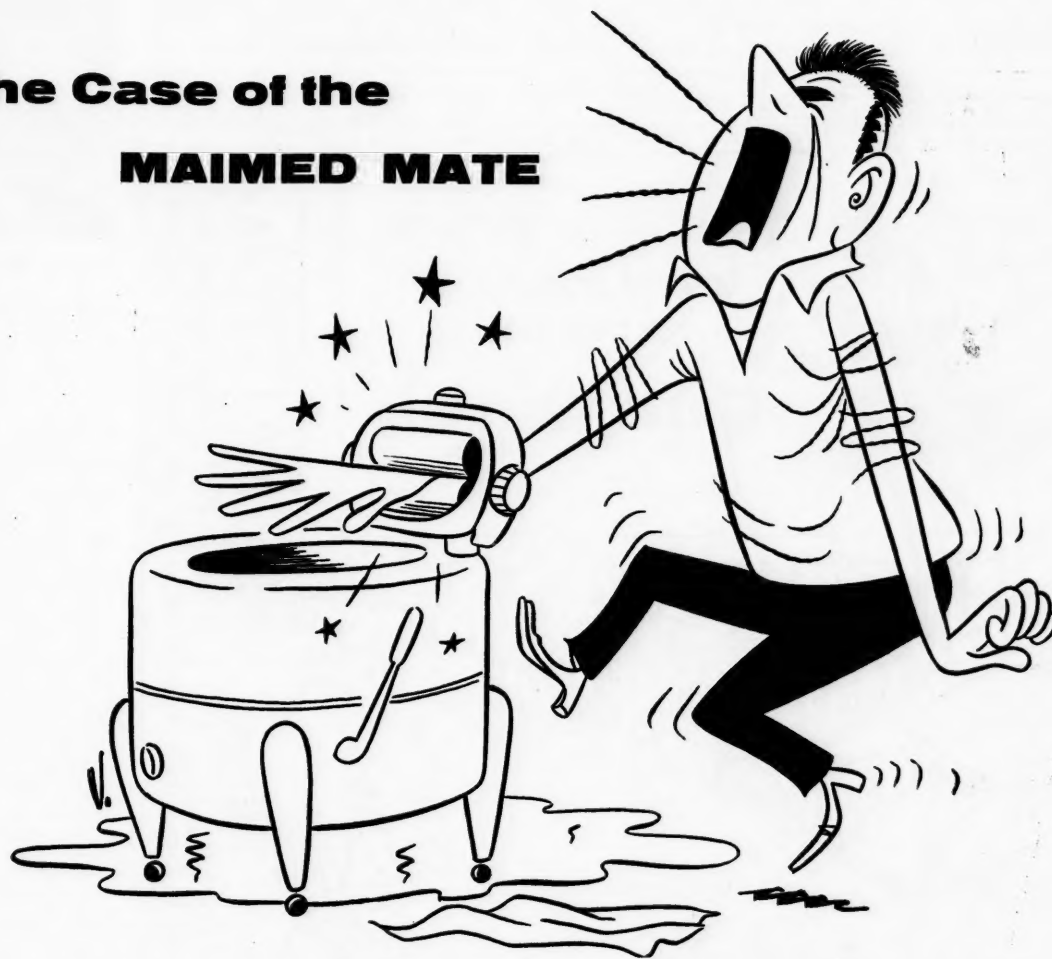


PITTSFIELD, MASS. • A MUTUAL COMPANY • 1851

Life, Annuities, Pension Plans and Accident & Sickness



## The Case of the MAIMED MATE



### Solved by Accident Insurance

A salesman was helping his wife do the laundry. Perhaps he had his mind on the next day's calls and not on the problem at hand. Before he knew it his right hand had followed an article of clothing into the wringer. (Claim payment—\$145.71)

Unusual accidents occur every day of the week. They strike suddenly, without warning. Very often mishaps, involving painful physical

injuries, cannot be avoided; but the financial hurt can be cushioned by Accident Insurance.

You owe it to your clients and prospects to make sure they have this vital protection.

The nearest Travelers manager will be happy to give you full details of Travelers Modern Accident policies. Ask him about Travelers Hospitalization Insurance too.

### THE TRAVELERS INSURANCE COMPANY

Hartford 15, Connecticut

## Family Security Plans Paid \$21.7 Billion in 1955 in Upward Trend

Payments totaling \$21.7 billion were made last year under established family security programs designed to meet the economic losses of death, disability, retirement and unemployment, according to Institute of Life Insurance.

These payments are expected to exceed \$24 billion this year and \$25 bil-

lion next year. If they continue to rise at the same rate, they will pass the \$30 billion mark by 1960.

The four major needs were covered by 1955 payments as follows: Disability, \$7.7 billion; retirement, \$5.8 billion; unemployment, \$1.7 billion; death and other family financial planning, \$6.5 billion. Life insurance companies accounted for \$5.8 billion of the total.

The makeup of payments for the four major needs in 1955 is estimated by the institute as follows: Life in-

surance and annuities, \$4,320,000,000; A&S insurance, \$3,190,000,000; fraternal, savings bank and assessment insurance, \$200 million; private uninsured pensions, \$380 million; workmen's compensation, \$950 million; liability insurance, \$980 million; OASI, \$4,970,000,000; unemployment insurance, \$1,530,000,000; federal, state and local retirement plans, \$1.4 billion; railroad retirement and other benefits, \$610 million; servicemen's life insurance \$410 million; veterans benefits, \$2,760,000,000.

## Tells How General American 'programed' Its Sales Uptrend

How General American developed a program that in six years had resulted



Powell McHaney

in a 280% sales increase and a rise of \$1 billion of insurance in force was recounted by its president, Powell B. McHaney, at the annual meeting of LIAMA in Chicago.

After paying tribute to vice-president Frank Vesser and other members of the agency team, Mr. McHaney likened the growth steps charted by the company in 1949 to those followed by a salesman in "simple programing." These are "to fix the needs that must be met to provide security and then to prescribe the solutions that will fulfill those needs."

The major elements of General American's "simple program" were:

1. To change from personal-producing to agency building general agents.
2. To develop a special product that would have unusual sales appeal.
3. To simplify home office procedures and reduce administrative costs.

Mr. McHaney explained that General American six years ago was doing well in group insurance, but selling ordinary at a static rate of about \$30 million yearly. Other factors in the picture pointed up the company's need to increase production substantially, and decrease unit costs materially.

Mr. McHaney described the program to develop agency-building general agents. In 1949, he said, the company had 80 general agencies of which only 23 could be called "true agencies." Today, he said, there are 89 general agencies, with 61 of them agency-building units.

How was this change brought about? Mr. McHaney said the first step was to develop an attractive agency contract that would encourage general agents to forego personal production in favor of recruiting and training. He likened the present contract to a franchise for the general agent to develop his own territory through his own sales organization, just as the Coca Cola bottler in his community has a franchise to develop.

General American also introduced the concept of "multiple agencies within an agency." An attractive contract was developed for the general agent to offer district managers who would recruit, train, and build unit agencies of their own, but as part of an over-all general agency.

Mr. McHaney described how the program for soliciting agents was strengthened and revised to provide comprehensive training. The company introduced its own courses, primary through advanced, urged general agents to support LUTC and CLU programs, and developed a scholarship plan for the Purdue and Southern Methodist marketing courses.

Stressing the importance of training the trainer, the speaker said LIAMA's study course in agency management was the foundation of the company's program.

Two recruiting and training pro-  
(CONTINUED ON PAGE 21)

Love and protection  
go hand in hand!

**GREAT-WEST LIFE**  
ASSURANCE COMPANY

Field representatives of the Great-West Life will receive additional sales support from this outdoor poster which will appear in over 100 cities and towns throughout the United States and Canada.

Its message, "Love and protection go hand in hand" presents a simple yet powerfully direct approach to man's basic need for life insurance . . . his obligation to provide financial security and protection for his loved ones.

The use of outdoor advertising is a good example of the support given Great-West Life representatives in their sales and service activities.

THE  
**GREAT-WEST LIFE**  
ASSURANCE COMPANY  
HEAD OFFICE - WINNIPEG, CANADA

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## Wallace Tells How Research Helps Insurers, Managers Do a Better Job

Major strides in life insurance research are likely to be made in the next few years in financial management, in the basis of motivation for buying life insurance, in agent selection, and in over-all problems in agency management, S. Rains Wallace, LIAMA director of research, said in his address at the annual meeting of LIAMA in Chicago.



S. Rains Wallace

Mr. Wallace reviewed the past decade in which he has been head of LIAMA research and with his audience of some 900 agency officers raised what he called the payoff question: "Has research helped you and your managers do a better job?"

Acknowledging that positive proof is lacking, Mr. Wallace traced the progress that has been made in major areas of sales management and offered evidence that "research has helped you achieve this progress."

Suggesting that agency officers have been stimulated by research data to raise sights and increase goals, Mr. Wallace illustrated several major ways the LIAMA program "has served both to challenge and reassure you."

"We have challenged you with the fact that life insurance premiums are lagging behind other forms of security expenditures in the national economy," he said. "We challenged you with the downward trend in the number of cases; many of you set out to meet this challenge and did meet it. And we reassured you with information which demonstrates clearly that you are nowhere near the full potentialities of this business."

Looking ahead, Mr. Wallace pointed to "one big area which we hope to attack and subdue—financial management."

Observing that all agree that major costs in distribution come from the development of an agency force—the recruiting, selection, training, and maintenance of agents, Mr. Wallace said that "until we understand these costs, particularly as they entail the time of managers and supervisors, we cannot hold any real expectance of getting a greater return from our development."

He predicted that LIAMA will "some day make it possible for you to

see how you are spending your money generally—and for each agency—in each of the major functional areas." He said "this will provide not only a sounder method of control, but should also provide a better basis for making decisions such as: What agencies should receive greater investment and in what ways the money should be used? What agencies should be split or expanded? And it should tell you how

your managers spend their time and hence your money."

As agency officers learn more about the non-economic factors that motivate people to buy or not to buy life insurance, they can provide more effective merchandising methods and improve training and selling skills. This is an area of research in which major effort will be expended, Mr. Wallace promised.

As a basis for this research, he pointed to recent LIAMA studies showing how widely people in the same income

(CONTINUED ON PAGE 29)

## Arex Indemnity to be Life Insurer

NEW YORK—Arex Indemnity, which is 98% owned by Citizens Casualty of New York, will be converted into a life company.

Approval has been granted by the New York department, "subject to certain formal requirements which can be met without great difficulty," according to Citizens Casualty's statement to its stockholders.

Colonial Life will pay a quarterly dividend of 25 cents per share on Dec. 15 to stockholders of record Dec. 3.

# FACTS about John Hancock

Promotions in the sales organizations of John Hancock provide a continuing opportunity for John Hancock field men. The transfer of capable field men into important jobs in the field and the home office is a traditional policy of John Hancock.

## GROUP COUNSEL \$12,500

Company with fine reputation requires young lawyer to handle non-corporate legal matters relating to their Group operations—matters affecting the product design and distribution.

To qualify: Age to 38, LL.B. degree, at least five years legal experience in Group insurance law (pensions, trusts and taxes). Company will give full consideration to men not entirely within specifications, but, naturally lower salary accordingly.

Middlewestern location (not Chicago). Employer pays fee and moving expenses.

CONFIDENTIAL HANDLING ALL INQUIRIES.

FERGASON PERSONNEL

330 S. Wells St., Chicago 6, Ill.  
HARRISON 7-9040

*John Hancock*  
MUTUAL LIFE INSURANCE COMPANY  
BOSTON, MASSACHUSETTS

## EDITORIAL COMMENT

### Non-Monetary Values of the Agent's Job

The non-monetary satisfactions that go with a successful career in life insurance selling are so frequently referred to that they tend to lose their sharpness of outline. As with a familiar prayer or oft-quoted passage from the Bible, nobody denies their validity but few stop to savor them and ponder on their significance.

Rarely have these spiritual satisfactions of the agent's job been more cogently set forth than in a talk that Vincent B. Coffin, senior vice-president of Connecticut Mutual Life, made at a special session for wives of agents attending the company's recent series of regional conventions.

"I think it is important that a man get fun out of his job," Mr. Coffin said. "Our successful men do get a lot of fun out of their work because they are dealing not with things but with people. And the things our men have to present are basic to the happiness of people and to their families. It is exciting to help work out their problems. It brings a thrill of accomplishment which agents will never lose as long as they are in our business."

"Life insurance work is independent in character but not lonesome," Mr. Coffin went on. "The agent operates basically as a sole proprietor. Well, in American business most sole proprietors are rather lonesome folks. They have a whole headful of problems and anxieties and worries they can't share with anyone else. In our business the boys are independent but not lonely. They're surrounded in their agencies by fellows who pull together and try to help one another. This is true of few other lines and is a great tribute to our business."

"Life insurance is never dull. It is frequently discouraging, but never dull. Agents deal with human problems. Each case is a little different from the next. A man who is at all alert gets a new challenge out of his job every single morning, a new thrill every day. Sometimes you wives say to us, 'How come when you get to a party you always want to talk life insurance?' And I will confess that we do, perhaps, overdo it. But the reason is that we're so darned interested in our business. And that's a good thing."

"This is work for which your man will never have to feel ashamed because a sale turned sour. Life insurance sales don't turn sour. Men who sell stocks and bonds, by the nature of their product, occasionally give advice

that turns out badly and they have to be apologetic. No life underwriter with a good solid company such as ours has ever had to apologize for what he has done. That is a great feeling as you go through life.

"Your husband will never, never be asked to chisel. He will never be asked to cut a corner or do anything which deviates a fraction from integrity. A friend of mine, who immigrated to this country and who is now a lawyer in New York, once said to me, 'As a lawyer I have watched life insurance men for a great many years, and I can tell you without any doubt that there is something about the business itself which develops character in the people who are in it.' I think this is understandable because you can't go through business life trying to help people solve their problems and making their lives happier without some of it rubbing off on you."

"You want your husband to be in a line of work where he enjoys prestige, particularly prestige in your community and in your circle of friends. Well, life insurance enjoys tremendous prestige in this country. It surprises even us, and it's a great thing. And as life insurance men become better trained, more established in their communities and command the respect of a wider circle of clients, their prestige rises enormously."

"So you wives have every reason to feel legitimate, genuine pride in your husbands' work. And if that pride is transmitted to him, it does an awful lot of good toward making him a happy, successful life insurance man. If he's that, then he'll never leave our business because he'll be getting so much out of it."

## PERSONALS

**William J. Graham**, a director and former agency vice-president of Equitable Society, has been reelected a director of National Industrial Conference board.

**William L. Bramble**, counsel of Life of Virginia, addressed the annual convention in Miami of American Title Assn., pointing to the lack of uniformity in state laws regarding the maximum single risks a title insurance company may assume.

**Howard Ennes**, director of the public health bureau of Equitable Society

and vice-president of International Union for Health Education, addressed a meeting of Society of Public Health Educators in Atlantic City.

**Dr. Norvin C. Kiefer**, chief medical director of Equitable Society, in an address before Assn. for Management in Public Health at Atlantic City, urged public health administrators to stress the importance of health careers to young people.

## DEATHS

**GEORGE E. MERIGOLD**, 82, general attorney of Prudential from 1929 until his retirement in 1944, died while visiting his sister in Buffalo. He joined Prudential in 1923 after serving as a deputy in the New York insurance department and after practicing law in Buffalo. He resided in Sparta, N.J., since his retirement.

**ERNEST F. MUCK**, 69, president of Workmen's Benefit Fund, Brooklyn, died. He served as president from 1944 to 1948 and from 1952 until his death. He was reelected for a 4-year term this year. He joined the fund in 1922 and served as vice-president, treasurer and trustee before becoming president. At his death, he also was president of Recreation Farm Society, an affiliate of the fund.

**GEORGE AZAR JR.**, 47, general agent of Aetna Life at Scranton, Pa., since March, died unexpectedly of a heart attack. He formerly coached football at Keystone junior college and was personnel director of American Red Cross.

**JAMES W. MCDEVITT**, 62, treasurer of Philadelphia Life and with the company 48 years, died in Jefferson hospital, Philadelphia.

**MALCOM T. ANDERSON**, 53, assistant manager of the underwriting department of Phoenix Mutual, died.

**LESLIE H. ERICKSON**, 59, vice-president of Northland, Northland Life and Northland agency of St. Paul, died. Mr. Erickson graduated from St. Paul College of Law in 1919. He was in private law practice until 1926 when he became the assistant general counsel of Republic Casualty of Pittsburgh. In 1928 he became special deputy in the Pennsylvania Department. He left there in 1938 to join American Casualty as vice-president and director of agencies. He was president of the Farm Equipment Sales Co. of Franklin, Mass., from 1946 to 1948 when he joined the Northland companies as vice-president.

**Paul Brower**, director of advanced underwriting Mutual of New York, will speak on "Special Insurance Plans" at a roundtable of National Industrial Conference Board at St. Louis, Nov. 15.

## STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.  
135 S. LaSalle St., Chicago, Nov. 13, 1956

	Previous Week's Bid	Current Bid	Asked
Aetna Life	175	176	180
Beneficial Standard	16 1/4	16 1/4	16 3/4
Cal.-Western States	82	81	85
Colonial Life	98	99	103
Columbian National	81	78	81
Commonwealth Life	21	21 1/2	22 1/4
Connecticut General	244	253	257
Continental Assurance	122	120	124
Franklin Life	81 1/4	81 1/2	83
Great Southern Life	72	77	82
Gulf Life	29	30	31
Jefferson Standard	120	122	126
Kansas City Life	1190	1180	1220
Life & Casualty	23 1/4	23 1/4	24 1/4
Life Insurance Investors	13 1/4	13 1/4	14 1/4
Lincoln National	218	219	223
Missouri	19 1/2	21	22
National L. & A.	88	88	90
North American, Ill.	18 1/4	19 1/4	20 1/4
N. W. National Life	82	88	92
Ohio State Life	240	245	
Old Line Life	60	60	63
Southland Life	94	92	97
Southwestern Life	96	97	102
Travelers	74 1/2	75	76
United, Ill.	23	23	24
U. S. Life	27	27 1/2	28 1/2
West Coast Life	45 1/4	46	48
Wisconsin National	53	53	56

### National L. & A. Buys New Home Office Site

National Life & Accident has purchased 218 acres in Williamson county on Hillsboro road 12 miles south of downtown Nashville, which may eventually be used for a new and larger home office building. The board has approved the purchase at a price understood to be \$105,000.

Chairman Edwin W. Craig said the company's continued growth and steady increase in its home office staff will make necessary additional home office space in the near future.

An important consideration is the need for adequate parking space for the 1,600 home office employees who use a half-block area adjacent to the present buildings. These facilities have been outgrown.

The company has explored all the possibilities of enlarging the present building but none of them appear to offer more than a temporary solution to the problem, Mr. Craig said.

He pointed out that, in moving to a suburban location, the company would be following a trend which has been in progress in the industry for a number of years.

"In our own case, there would be still another important consideration," Mr. Craig said, "and that is a substantial saving in taxes which would result. The abnormally high taxes levied against local companies in Nashville and Davidson county exceed those levied against other life insurance companies over the country, and if we are to maintain a competitive position in the business, we cannot continue to be taxed out of all proportion to our competitors."

**Dr. Charles D. Rehm**, assistant medical director of Northland Life of Seattle since 1953, has been appointed medical director following the death of Dr. C. H. Hofrichter.

### THE NATIONAL UNDERWRITER

Life Insurance Edition  
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SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.





## S. C. Conspiracy Trial Under Way

The trial of former commissioner D. D. Murphy of South Carolina and two Columbia, S. C., insurance men, G. R. P. Farquhar and Bradley Layton, is under way in Richland county general sessions court at Columbia. The three are charged with forcing the sale of Capital Life of Columbia to United of Chicago for \$1 million less than it was worth. United paid \$3 million.

Lester L. Bates, who sold Capital Life, and a candidate for governor in 1950 and 1954, testified that Mr. Murphy told him in June, 1954, that James F. Byrnes, governor at the time of the sale, had sent an ultimatum to the commissioner directing him to put Capital Life in receivership and cancel its license. Mr. Bates said he was given six days to find a buyer.

He said he was approached by Mr. Murphy as early as 1952 with the idea of selling Capital to United. The insurance department examined Capital Life in 1954 and it was after discussing this report with Mr. Murphy that he called United and agreed to sell, Mr. Bates indicated.

Defense attorneys sought to prove by examination reports that Capital Life was not in good financial condition before its sale. Mr. Bates denied that he accepted \$400,000 as a pay off from United and asserted the money was part of the sale.

Asked if he sold Capital on just the threat of the commissioner, Mr. Bates said if the commissioner had placed Capital in receivership, the fact the company was solvent would not have mattered. It wouldn't have been worth 20 cents in six months.

Mr. Byrnes, a political opponent of Mr. Bates, was scheduled to testify.

O. T. Hogan, chairman of United, and Paul Temple of Chicago, were named in the charges against Mr. Murphy, but South Carolina could not get them extradited. The state charges that Messrs. Murphy, Farquhar and Layton received substantial payments for arranging the sale.

## Chicago A&H Assn. Holds First of Three Clinics

Chicago A&H Assn. held the first of three sales clinic sessions on A&S insurance last week at Chicago, with James Beaumont, Provident L. & A., and Wheeler Tracy, New York Life, discussing prospecting from the point of view of broker and agents.

The association is holding another session this week on the A&S product and the final session next week will cover closing the sale.

Mr. Beaumont told the first clinic that prospecting potential is especially good in the fall because many persons receive bonuses or dividends from their companies. Mr. Tracy commented that people are more interested in talking about A&S insurance than life insurance, and suggested prospecting among small business proprietors with a view to installing a small group plan as a Christmas present for employees.

Moderator of the discussion was Edward N. Cheek, Connecticut General.

At the clinic this week the speakers are Robert Seiler, Paul Revere Life; Albert H. Wohlers, Youngberg-Carlson agency, and Kenneth Saunders, Continental Casualty. Next week, W. Clement Stone Sr., president of Combined, and John Palmer, vice-president of Robert Palmer Corp. and sales editor of A. & H. Underwriter magazine, will lead the discussion.

The programs are free to prospective members of Chicago A. & H. Assn. A set of hand books on A&S insurance are given free to each person attending.

## Few Views of LIAMA Annual Meeting



R. R. Davenport, vice-president of Southwestern Life and past president of LIAMA; and Elizabeth C. Stevens, LIAMA secretary-treasurer, at the LIAMA meeting at Chicago.



Frederic M. Peirce, left, new managing director of LIAMA, chats with the outgoing LIAMA president, Stanton G. Hale, Mutual of New York's vice-president for sales, at the annual meeting of LIAMA in Chicago.



Two old friends at the LIAMA annual meeting in Chicago: Lewis W. S. Chapman, left, LIAMA director of company relations who had general charge of arrangements for the meeting; and Raymond W. Simpkin, vice-president of Connecticut Mutual Life, this year's chairman of the annual meeting committee.

## State Mutual Offers 3-Year Age Rate-Down on 2 Special Policies

A 3-year rate-down credit resulting in a lower gross premium now is available on State Mutual's preferred protector \$10,000 minimum policy for adult females whose actual ages at the nearest birthday are 16 through 70. The rate-down also applies to the protector \$10,000 minimum policy which is issued only in New York.

This liberalization means that an adult female applying for the preferred protector or the protector will be considered as born three years after her actual birth date for purposes of underwriting, policy issuance, determination of the premium rates, including waiver of premium, double indemnity and special class extra premiums, dividends and other policy values.

Between sessions at the LIAMA annual conference at Chicago: Left, Marvin E. Lewis, Bankers of Iowa; W. Thomas Fiquet, LIAMA senior consultant, and Ben F. Hadley, Columbus Mutual.



## N. E. Life Increases Dividend Deposit Rate

Effective Jan. 1, the interest rate paid on dividend deposits on individual ordinary policies with New England Life will be increased from 3% to 3.35%.

The new rate also will apply to proceeds left at interest, provided no life contingency is involved, dividend additions on American experience 3% policies and C.S.O. policies and death claims and matured endowments.

The board has authorized \$28,950,000 for dividend payments in 1957, compared with \$27,020,000 in 1956. This is the fourth year the company has made a partial or general increase in dividend scale.

## Booklet Explains Vets' Benefits

Veterans Administration has published a new 14-page booklet giving general information about most of the federal benefits provided for veterans, their dependents and beneficiaries. Known as VA Fact Sheet IS-1, it briefly describes the basis of eligibility and nature of U. S. government life insurance, servicemen's indemnity, national service life insurance, guaranty of premiums on commercial life policies, various pensions, compensations for various service connected deaths and disability, medical treatment, educational opportunities, loans, housing, social security, reimbursement of burial expense and other benefits.

No. 6 OF A SERIES



**THE COMPANY shall utilize the most effective training technique to get the new agent into early and consistent production.**

• In selecting and training the new agent, we believe that the Company's responsibility must go much further than the printed terms of its contract. In fairness to the agent . . . the Company . . . the insurance business itself . . . we must assure the new agent every possible chance of success. In this series of messages, we present a few of what we consider to be our inescapable obligations under this "invisible contract".

During the last war, a new technique of instruction was born. It was called "T. W. I." (Training Within Industry). Its objective: to bring workers to a high level of productivity more rapidly than was possible through existing methods of instruction. Its basic principle: to translate learning into activity . . . immediately. Our entire course of training is built around this remarkable technique. It gets the new agent into production faster; builds confidence earlier; lays a sounder base for future success.

**California-Western States Life Insurance Company**

HOME OFFICE: SACRAMENTO

## Push Probe of Policy Frauds in Carolinas

North and South Carolina law enforcement officers and North Carolina Insurance bureau investigators already have made six arrests in a continuing probe of an alleged conspiracy to defraud several life companies through false death claims.

Arthur Mitchell, 41, Winston-Salem, has been charged with making false oaths to secure insurance benefits from Durham Life of Raleigh, Imperial Life of Asheville, Southern Life of Greensboro and Skyland Life of Charlotte on

policies ranging from \$500 to \$1,000. Ella Mae Mason, 27, Winston-Salem, has been accused of making false statements to obtain death benefits from Pilot Life, Life & Casualty of Tennessee and American National Life.

Arrested earlier were Lee R. Lunsford, 31, Winston-Salem, former agent of Home Beneficial Life of Richmond; William B. Clemons, an undertaker of Rock Hill, S. C.; his wife, Lucy Clemons, and daughter, Ramey. They are charged with conspiring to defraud Home Beneficial Life of \$12,000 through fraudulent policies and fake death claims. Lunsford also is accused

of selling insurance in South Carolina without a license and of embezzling \$1,016 from the Winston-Salem agency of Home Beneficial.

### General American Report Cited

The annual report of General American Life for 1955 was a runner-up for the Oscar of the life industry in competition sponsored by Financial World, a business magazine. The 36-page 1955 report featured the theme of General American's attainment of \$2 billion of insurance in force during 1955. In addition to figures for the year 1955, the report also contained a 10-year progress report.

## Must Broaden A&S Coverage of Older People: Wickman

A&S areas needing expansion and development are the older people, impaired risks, broader coverage, security of coverage, better knowledge of the business, improved service to policyholders and the problems of over-insurance and claim abuses, according to J. M. Wickman, 2nd vice-president of Mutual of New York and chairman of the individual insurance committee of Health Insurance Assn. of America. He reported on the committee's activities to 300 company representatives at the 2-day first annual individual insurance forum in Dallas.

Plans must be devised to permit some basic coverage to be continued at a premium which older persons can afford to pay, Mr. Wickman said. This would call for accumulation of reserves during the earlier years to offset the later morbidity. Although some companies are offering such plans, many more must do so if the business is to be able to answer its critics.

He advocated more complete protection for impaired risks, consideration of individual needs of insured, a continuous program of information and education within and outside the business, up-to-date and efficient claims handling, and the use of tact and ingenuity in dealing with over-insurance and claim abuses.

Fourteen subcommittees have been named since the individual insurance committee was organized earlier this year, bringing total membership to 65, he said. Several projects are under way.

The agency relations subcommittee, headed by Theodore T. McClintock, director of A&S of American United Life, is working on a method of collaboration with LIAMA for joint efforts, particularly on a program of special interest to agency people. The occupational classification subcommittee, headed by Harry L. Graham, secretary of the A&S department of Bankers Life of Iowa, is circulating a questionnaire on occupational manuals.

The weekly premium A&S subcommittee, headed by Thomas Ward, assistant vice-president and director of Gulf Life, is collecting information on the extent and nature of this coverage in the country. The special purpose policies subcommittee, headed by Edward Luecke, vice-president of Fidelity & Casualty of New York, is determining the extent to which special policies are being sold and the contributions they make to the insurance picture. The education subcommittee, headed by Charles E. Stevens, assistant superintendent of A&S of Indemnity of North America, will establish a study program or home office personnel.

### License Sentinel Life in N. C.

Sentinel Life Insurance Co. of Greenville, N. C., with paid-in capital of \$600,000, has been licensed in North Carolina to sell life, annuities, A&S and hospitalization. The company will specialize in ordinary and industrial life.

Officers are A. H. Campbell, president; W. W. Speight, general counsel; B. F. Moseley, secretary; Gordon Lynch, vice-president in charge of the industrial department, and Robert W. Potts, vice-president in charge of the home office. Mr. Lynch has been with Southern Life of Greensboro for 10 years at Rocky Mount. Mr. Potts, who will join the company Jan 1, has been an actuary in the North Carolina insurance department since 1947 and previously was with Metropolitan Life.

## How to Take a Pension Case in Stride

PENSION cases sometimes have a way of looking formidable—even to the experienced salesman who may never have tackled one. But not to H.E., former high school coach and now a relatively new NWNL agent in the Midwest. He recently lined up his first such case, involving five lives (we write 'em any size), and with the ever-ready help of Northwestern National Life's Pension & Tax Department solved the client's problem in just 13 days. Here's the story:

In the course of normal prospecting, H.E. learned that the local bank was considering a pension plan. He asked to make a bid, then submitted to the home office the specifications of the plan in which the client was interested. The home office evaluated all data, prepared a proposal incorporating features which seemed necessary to meet all needs of the client, and cooperated with the client's counsel. H.E. made the presentation and promptly closed the case on the basis of the proposal worked out by the home office.

Result: Another satisfying sale completed; another client well served. And Agent H.E. received top commissions which this year and for many years ahead will be a welcome "bonus" on top of his normal earnings.

It's happening every day, not only to NWNL agents but to brokers, too. Next time you as a broker get a line on a pension case that requires a technical assist, call the nearest NWNL agency or contact our Pension & Tax Department directly.

## NORTHWESTERN NATIONAL LIFE OF MINNEAPOLIS

*40 years' experience in brokerage service*



## Public Must Learn About Major Medical Coverages: Follmann

A public understanding and acceptance of the deductible and coinsurance principles of major medical expense insurance must be developed, Joseph F. Follmann Jr., director of information and research of Health Insurance Assn. of America, told Assn. of Life Insurance Medical Directors of America at its 3-day annual meeting in New Orleans.

The basic concept of what the public wants and needs in the way of protection against the costs of medical care has not yet been crystalized, Mr. Follmann said. The public's ultimate selection should be based upon sound understanding of the various forms of coverage and the elements which enter into their costs.

Major medical needs the understanding cooperation of doctors, hospitals and all others who provide medical care. The public, employers who are buyers of group coverages, those who administer medical care and insurance company personnel must be educated to understand major medical. There is a need for continued experimenting among private insurers because major medical is a developing process with many variations, Mr. Follmann said.

Healthy competition between insurance companies and Blue Cross-Blue Shield has done much to accelerate the growth of A&S coverages in the last 10 years, said P. C. Irwin, vice-president and actuary of Equitable Life of Iowa. However, there have been recent signs that an unhealthy competition may be developing between these two classes of insurers. But all are trying to provide the best possible health care on a voluntary basis and avoid the dangers of socialized medicine. It deserves the cooperative effort of everyone because "if we get at odds on this problem among ourselves we may find an outside element taking over." One problem which needs study with an open mind is that of fee schedules, he said.

Dr. Eugene V. Higgins, medical director of North American Re, said it was his conviction that present cancer underwriting rules must be reviewed and revised in an effort to provide more selective, individually evaluated protection for applicants with cancer histories. He meant selective in the sense of identifying those cancer risks which are explosively unpredictable as well as those which give good grounds for more favorable underwriting action than any taken in the past.

The number of applicants with cancer histories is growing due to the increasing incidence of the disease and the expanding older age groups, Dr. Higgins said. It will profit life insurance medical men to become familiar with cancer pathology so that the physician's report with histologic diagnosis will have exact significance.

There is ample justification for looking forward to effective means of controlling atherosclerosis, according to Dr. Francis R. Dieuaide, scientific director of Life Insurance Medical Research Fund. Largely because of resultant coronary heart disease, it is the most serious form of cardiovascular disease. Most students now believe atherosclerosis is mainly the result of a disturbance in fat nutrition or fat metabolism, especially involving the accumulation of cholesterol in arterial walls.

Dr. Russell L. Holman, professor and head of the department of pathology

at Louisiana State university, delivered a paper on the "Natural History of Atherosclerosis."

## Northwest Wisconsin A&H Men Hold Sales Congress

Northwest Wisconsin Assn. of A.&H. Underwriters at its annual sales congress in Eau Claire heard speeches by Ward Beall of North American Life & Casualty, Minneapolis, on "Team Work on Underwriting"; Bruce Gifford, managing director of International Assn. of A.&H. Underwriters, on "The Value of Organization Through As-

sociations," and Gibson Wright of Eau Claire, zone chairman, on plans and activities of the international association.

Ace Loomis of LaCrosse, state association, and international past-president Carl Ernst of North American Life & Casualty, Minneapolis, talked on "Selling A&S Insurance."

The value of advertising in helping to promote and expand business and the small cost to each individual were outlined by Freeman von Schrader, advertising manager of the Eau Claire Daily Telegram & Leader. He pointed out that over \$5 billion is spent every

year in this country on advertising, but that the cost to an individual is small. Mr. Schrader explained how advertising stimulates business in return for the money invested in it.

## Globe Life Has New Preferred Policy

Globe Life of Illinois has brought out a non-participating preferred risk ordinary life policy, minimum \$10,000. Annual premiums per \$10,000 are: Age 25, \$149.40; age 35, \$208.80; age 45, \$310.70. A similar form has been introduced with a minimum of \$5,000.

One of a series of Guardian Life advertisements appearing in national magazines.

**GUARDIAN**  
of our  
Standard  
of Living

His briefcase, his cheerfulness, his unflagging energy identify him as a Salesman.

He is an advance guard in the army of prosperity. He is a missionary of good times. The buildings springing up in every community, the cars whizzing over the highways, the profusion of products rolling off the assembly lines—none of these would be possible without him.

He works hard, worries a lot, but you never know it because he

never loses his ready smile—even when weariness and hunger remind him that again he is late for dinner. A keen student of human nature, his job is not just to sell a product or a service, but to implant the dream and infuse the courage to help people attain a better standard of living.

Your Guardian Representative fulfills the highest traditions of salesmanship. A trained adviser in many family problems, he becomes a trusted friend who is interested in you and your future. Remote dreams and ambitions take shape

under his guidance. He helps you set up an education fund for your children, shows you how to protect the roof over their heads with mortgage insurance, how to enjoy pay check protection with Guardian Accident & Health insurance, how to plan your own eventual retirement.

Guardian Life has been serving American families since 1860. Why not call your Guardian Representative today and ask him to show you how you can get more out of life with Guardian.

**The GUARDIAN Life Insurance Company OF AMERICA**

50 UNION SQUARE, NEW YORK 3, N. Y.



# EVERYONE'S TALKING!

OUR GENERAL AGENTS—  
ABOUT CROWN LIFE'S

- Lower rates
- New Policy Plans
- Greater Opportunities



BROKERS AND SURPLUS WRITERS—ABOUT CROWN LIFE'S

- Ability to provide the extra services they need.

POLICY OWNERS—ABOUT CROWN LIFE'S

- Low cost protection
- Understandable policies
- Our outstanding record of achievement

For comparisons at a glance—ask for Crown Life's dial-a-rate card  
—rates at all ages for most plans with a flick of the finger.

We are talking about further expansion.

## CROWN LIFE INSURANCE COMPANY HOME OFFICE, TORONTO, CANADA

Over One Billion in force in our 53rd year

Licensed in: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Indiana, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, Wyoming and NOW IN SOUTH DAKOTA, the 37th state.

### SCHOOL FOR SERVICE

New AAL representatives are carefully selected, then carefully trained. They get initial training in the field from experienced general agents, who continually supervise their work.

Within a month they attend our Home Office School. Here they receive a week of intensive instruction in life insurance

counseling. The purpose: better service for AAL members and eligible Lutherans.

They must also pass examinations based on the Fraternal Sales Training Program Correspondence courses.

All this training helps new AAL representatives average \$390,000 first-year production.

### AID ASSOCIATION FOR LUTHERANS



## Million-Dollar Producer Tells LIAMA What Helped Him Boost His Production

"Everything I have done has been possible through the agency's and the home office's guiding hands," said George W. Jackson, million-dollar producer of Connecticut Mutual at Indianapolis, in his talk at the LIAMA annual meeting at Chicago.

Pointing out that the average agent needs help of many kinds, from pep talk to sales aids, Mr. Jackson urged his listeners to "take these men by the hand, wrap them in cotton, give them everything you've got, raise their sights, and then watch them grow!"

Mr. Jackson reviewed his 10 years in the life insurance business, from the time he joined the Indianapolis agency despite the misgivings of the general agent. He recounted his story "merely to prove with a production record that an average guy has been able to do a respectable job with the proper aid and assistance."

"It was hard for me to get into the life insurance business," he said, but today you couldn't get me out. What other business offers a person the opportunity to make such a wonderful living and, while doing it, to serve his community in such a wonderful way?"

He recalled his reactions to the home office school for new agents: "If there is anything that puts a field man on a cloud, it's the top-drawer treatment he gets in a home office. Each person is made to feel he is not only a part of this great team, but the star. This closeness between home office and field develops a feeling of loyalty which is unshakable—and how many companies like to train an agent for another company?"

In his first year Mr. Jackson paid for \$124,038 of business; he earned in first-year commissions about \$1,000. But, he said, with help and encouragement he began to improve over the next 12 months, in which time he doubled his income.

"At this point," he said, "NALU and your companies began to sponsor an educational course, LUTC. Being encouraged by both general agent and home office, I enrolled in this very practical phase of life insurance training. It was here a decided change was made in my over-all sales approach. My sights were elevated to a higher phase of life underwriting, the simple program along with my package sale. This new era boosted production to upwards of \$400,000 per year. By this time, my renewals were becoming noticeable and the financial picture showed signs of improvement."

Another milestone was hiring a secretary:

"I had been told by successful life insurance men that a secretary would more than pay for herself by allowing more time for selling and less in the non-paying duties and details. This was a recommendation I followed, and, along with better service to my clients, production increased to over half a million the first year I had my secretary, and about \$700,000 the next." He pointed out that his general agent and home office had again encouraged him to hire a secretary. After two years with a secretary, he met the Million Dollar Round Table requirements and was able to increase his income to \$20,000 and it has kept increasing each year since.

Mr. Jackson described his sales systems:

"I do not specialize; I do package work, simple programing, estate work, business insurance and some pensions. However, I have a standard approach,

whether it be policyowners, referred leads or cold calls. My approach in almost every case is that of service. I point out to the prospect that my method of operation is not to woo him, sell him and forget him."

Mr. Jackson explained that he has a "tickler file" on prospects so that he doesn't lose touch with them. He said he sells first, provides service and then follows through with a system of periodic call-backs.

"I do a personal audit for all sales, except business and pension. Upon delivery of the audit, I tell the policyowner I will be back in order that it might be kept up to date. I show my own insurance program and audit as my sales approach, explaining that the audit is not a reason to buy life insurance, but rather it is justification for his wanting to do business with me. I then take up the reasons for buying and gather sufficient information to chart the man's program."

This approach, he said, has resulted in larger cases for him.

Returning to his point of the average agent needing help, the speaker noted that there are a few big producers who don't need help but they are a minority.

"The average guy needs a lot of help in order to keep on being just average," he said. "And he often needs just a little help to do a better-than-average job."

He warned against complacency: "Suppose an agent is a consistent producer of a half million dollars a year. Perhaps that same man could be a con-

(CONTINUED ON PAGE 22)



### HOTEL TULLER

...featuring convenience, comfort, quality! A cosmopolitan atmosphere in home-like setting. In the center of all downtown activities. Newly decorated. Ultra modern, comfortable guest rooms... excellent food at moderate prices in our modern coffee shop and cafeteria.

Radio and Television in room.  
Air Conditioned rooms in season.

800 ROOMS  
WITH BATH from \$375  
GARAGE and PARKING LOT  
FAMILY RATES  
No Charge for Children  
12 and Under —

Harry E. Paulsen, General Manager  
FACING GRAND CIRCUS PARK

DETROIT



## New Faces in NAIC to Follow Election

(CONTINUED FROM PAGE 1)

insurance commissioners in the United States.

The election of a Republican governor in Ohio probably means a complete overturn in the higher levels of state officials. A new director of commerce will be named to succeed W. Harper Annatt, and the insurance department is a division of Mr. Annatt's bailiwick. A successor is expected to be named for August Pryatel of Cleveland, who is a career man and succeeded to the post of superintendent on the retirement of Walter A. Robinson. It is rumored that the office of superintendent has been offered to A. I. Vorys, a Columbus attorney, whose grandfather was superintendent in Ohio many years ago.

In Utah the new governor may make a change. He is a Republican as was his predecessor, but he advised the life and property agents' associations before the election that he would consult and secure their recommendations concerning the appointment of an insurance commissioner. Seven names are being bandied about for the position to succeed Walter Jones. If Mr. Jones resigns or a new appointment is made, one of the persons prominently mentioned is that of Gordon Hanson, now deputy commissioner.

Commissioner William Davey of Indiana is a career man and it is presumed that he can retain the post of commissioner if he wants it. Governor-elect Handley said in his campaign that he would make "non-political" appointments. Handley represents a different faction of the Republican party than his predecessor, George Craig, but these differences are not expected to extend into the insurance department.

In Massachusetts, Iowa and West Virginia, the incumbent commissioners have appointments extending up to 1959, but there have been changes in the political complexions of those states and many insurance people expect that Messrs. Humphreys of Massachusetts, Miller of West Virginia and Bennett of Iowa could well be out of office as the result of political pressures.

The new Democratic governor in Missouri presumably will not make any change in the insurance department, where C. Lawrence Leggett holds forth.

Commissioner Joseph A. Navarre of Michigan was belatedly confirmed to a second four-year term last week just before the Michigan senate adjourned a special session. Confirmation of the appointment had been held up for months because the Republican senate majority wished to make the replacement of Mr. Navarre, a Democrat, easy for a possible Republican governor. However, G. Mennen Williams, who named Mr. Navarre originally, won his 5th term Nov. 6. Mr. Navarre, incidentally, became a grandfather on Nov. 3 when a son, Joseph A. Navarre IV, was born to Mrs. and Mrs. Joseph A. Navarre III of Jackson. The commissioner's son and daughter-in-law live in Jackson.

Gov. Stratton was reelected in Illinois, and his insurance director is Justin T. McCarthy. The Chicago Sun-Times in an editorial before the election said Gov. Stratton had indicated he would make a change in the insurance department when Mr. McCarthy's term expires in November. This is the only printed observation on the future of the Illinois director. Mr. McCarthy, however, has been under fire from the St. Louis Post-Dispatch and other newspapers, and this bolsters speculation that there may be a change.

The final determination of who is going to be governor of Rhode Island beginning next year will come Dec. 5 when 11,000 or so absentee votes will be opened and counted. At present the incumbent, Gov. Roberts, a Democrat, is leading Christopher Del Sesto by 190 votes. The Rhode Island insurance commissioner is George A. Bisson who has no definite term and who was appointed by Gov. Pastore, a Democrat, who preceded Gov. Roberts. Mr. Bisson, therefore, will be attending the NAIC mid-year meeting in Miami without knowing whether he is a lame duck.

The term of Morris Brownlee, interim casualty commissioner on the Texas board of insurance commissioners, will expire next February, when the appointee for the full six-year term will be named by the incoming governor, Price Daniel. Mr. Brownlee, who is filling out the unexpired term of Garland A. Smith, resigned, is an appointee of governor Allan Shivers, who will leave office in January. Mr. Brownlee, according to common report, will not be a candidate for reappointment.

## Minn. Fraternal Congress Slates Work Clinics

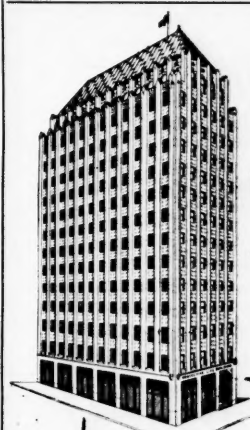
Three insurance work clinics will be conducted by Minneapolis attorneys at the annual meeting of Minnesota Fraternal Congress, Nov. 19, in St. Paul. Representatives of 31 fraternal benefit societies will attend, and Louis E. Probst, Independent Order of Foresters, president of National Fraternal Congress, will speak.

## Quarter Century Club Inducts 25

Twenty-five members were inducted into the Quarter Century Club of

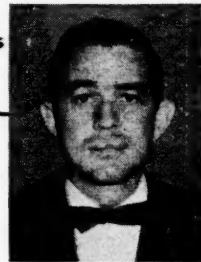
Northwestern Mutual Life at the annual banquet of the long-service employee's group. Induction of the members swells to 451 the total membership, which represents over 15,000 years of service with the company. Edmund Fitzgerald, president of Northwestern Mutual Life, was the speaker.

Frank W. Frensley has been appointed agency vice-president of Globe Life & Accident. He formerly was with American Reserve Life of Omaha and United National Life of Dallas.



**"You will earn \$15,000  
1st year in the business  
with PROTECTIVE LIFE."**

W. E. "Buck" Motes



Mr. W. E. "Buck" Motes  
501 North Broadway  
Sylacauga, Alabama

Dear Buck:

Even though you had not sold life insurance when you took a Protective Life Agent's contract last October, you already have earned \$11,427.57 in first year commissions. On the basis of your earnings for nine months, it is obvious that you will earn more than \$15,000 in first year commissions during your first year in the life insurance business.

The Company is proud of your record. It is proud, too, of its own record of growth. During the nine months you have been an agent, Protective Life's insurance in force has grown from \$738,000,000 to more than \$805,000,000. The Company has doubled in size in the past four years.

While we believe that our methods, our policy contracts, and our sales material have been helpful in making these records possible, we fully realize that the greater share of the credit is due you, and the other field men who have served so well for so long.

Buck, there are any number of good companies with whom you could have achieved life insurance success. You held the key within yourself. Protective Life is grateful that you gave it the chance to provide the opportunity.

In all sincerity, we tell you: You could have done it without us; we could not have done it without you.

Your sincere good friend,

*William J. Rushton*  
William J. Rushton  
President



General Agency Openings Throughout the Southeast. Write to C. B. Barksdale, Agency Vice-President.

**PROTECTIVE LIFE**

William J. Rushton  
President

Serving the South  
Since 1907



*Insurance Company*

PROTECTIVE LIFE BUILDING  
BIRMINGHAM, ALABAMA

## IT'S EASY TO HAVE YOUR MONEY ON YOUR VESTED RENEWALS NOW

A General Agent or Agent can easily have from \$2,000 to \$100,000... in a lump sum... at low bank interest rates... on his vested renewals through our exclusive, dignified, confidential service...

- For additional working capital • For business expansion
- To pay off indebtedness... protect your credit
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For complete, confidential information on this exclusive service, please call or write...

## RENEWAL GUARANTY CORPORATION

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Member: National Assn. of Life Underwriters

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8901 Sunset Blvd. • BRodshaw 2-2860 • Los Angeles 46, Calif.

ST. LOUIS BRANCH:  
3537 So. Kingshighway Blvd. • VErnon 2-2640 • St. Louis 9, Mo.

WICHITA BRANCH:  
212 No. Broadway • AMherst 2-0572 • Wichita, Kansas



JOHN H. WEBER  
PRESIDENT

*the Big Plus—*

EXCLUSIVE  
USE OF

Mr. 4%

for  
Jefferson  
Standard  
agents

A registered trade mark, Mr. 4%, is Jefferson Standard's alone. No one else can use it. In newspaper advertising, Mr. 4% attracts attention, stirs up interest, prompts questions and stimulates comparison. Mr. 4% is a symbol of the highest rate of interest paid by any major life insurance company on dividends and policy proceeds left on deposit to provide income. Mr. 4% is another BIG PLUS enjoyed only by Jefferson Standard agents.

**Jefferson Standard**  
LIFE INSURANCE COMPANY Home Office: Greensboro, N.C.

## REINSURANCE

Modern products: each part perfect, so the completed thing will stand up under stress.

Modern Insurance: same principle. Our contribution—precision-built Reinsurance. Special service in A&S.

### EMPLOYERS REINSURANCE CORPORATION

KANSAS CITY, MISSOURI  
21 West 10th St.

NEW YORK  
107 William St.

CHICAGO  
175 W. Jackson

SAN FRANCISCO  
100 Bush St.

LOS ANGELES  
1139 W. 4th

## NEWS OF LIFE ASSOCIATIONS

### Says Employees Should Get Split Dollar Dividends

Dividend payments to employers were opposed by Harold N. Sloane, general agent Continental Assurance, in a discussion of the "split dollar" plan at a luncheon of Baltimore Life Underwriters Assn.

Mr. Sloane took issue with exponents of the plan who recommend that dividends in later policy years be paid to the employer rather than the employee. "In my opinion," he said, "this may permit the interpretation that there is some taxable income to the employer, inasmuch as the employee is receiving some benefit."

He explained that ruling 55-713 of the internal revenue law allows an employer to make a loan without interest under the split dollar plan, this being the basis of the favorable ruling. "Therefore, I believe the employee must own the policy and that dividends in later policy years must be paid to the employee. This eliminates any gain or profit to the employer," Mr. Sloane said.

### Debit Man Salesmanship Described in Tex. Meeting

Salesmanship doesn't start until the prospect says "no," Thomas B. Rosser, Metropolitan Life, said, describing techniques which a debit agent should use to promote sales, for the benefit of the 250 agents who attended the recent South Texas sales congress in Corpus Christi.

Mr. Rosser said the only difference between the debit man and the ordinary agent is the amount of business the agent seeks to place. The debit agent works harder and usually earns more, he said. He suggested that a good debit agent be prospect-minded at all times, especially when attending a cocktail party or playing golf.

He said that in his community his reputation is on the line when a man dies, because the first question he is asked is whether the deceased's family has been taken care of. Therefore, when calling on a relative of a policyholder, he said he would ask: "George, if Sam died, you would ask if his family is taken care of. What would you want me to say if you died?"

Mr. Rosser said that people buy according to their wants and not their needs. A prospect must be convinced that he is a money-making machine, and like a valuable machine which earns him his livelihood, he must be insured.

Other speakers and their subject were: J. D. Soper, Sun Life of Canada, "Sales Tricks for '56"; Charles E.

Gaines, vice-president and director of agencies Tennessee Life, "The Sky's the Limit"; Kenneth L. Anderson, managing editor Insurance R&R, "Targets of Opportunity"; and Stanley E. Martin, State Mutual Life, "Problems of Life and Living."

### Big Producers Address Dallas Sales Seminar

The annual fall sales seminar sponsored by Dallas Life Underwriters Assn. featured a group of agents whose combined production exceeded \$50 million of paid in force. A panel was held which discussed the seminar's theme, "Sales Presentations and Approaches." On the panel were Henry B. Allen, American National Life, Amarillo; Roy J. Brooks, Southland Life, Ft. Worth; William E. Rhodes, Fidelity Union Life, Dallas, and David W. Campbell, Minnesota Mutual Life.

Other speakers were V. V. Van Leuven, New York Life, Dallas, and Harry Leak, Republic National Life, Dallas.

Marshfield, Wis.—Central Wisconsin Assn., covering principally Marshfield, Wisconsin Rapids and Stevens Point, held its monthly luncheon meeting in Marshfield. The speaker was Charles B. Stumpf, general agent for Illinois Mutual Casualty, Madison, who discussed "Integrating A&S with Life Insurance."

Lewiston, Me.—Androscoggin Valley Life Underwriters Assn. held its first fall meeting with Norman B. Champoux, Prudential, association president, presiding. The speaker was Dr. Milton McGorrell, Orono, Me., who discussed "Take a Look at the Man in the Mirror." The following were appointed committee chairmen for the coming year: Membership, Henry Dulac, Northwestern Mutual; legislative, William Nolet, Metropolitan Life; program, Martin Bruno, Metropolitan, and publicity, Emile J. Dube, Provident L. & A. The association has started a class in part 2 of LUTC with Thomas J. Sheehy, Metropolitan, serving as instructor. At the first fall meeting LUTC certificates for successful completion of part 1 and 2 of the training course were awarded to Lawrence Vaughn and J. Raoul Plante, both of Prudential.

San Francisco—Robert L. Woods, partner in the Yates-Woods agency of Massachusetts Mutual Life, Los Angeles, addressed the October meeting of San Francisco Life Underwriters Assn. The meeting was conducted by the San Francisco CLU chapter. Mr. Woods' subject was "The Challenge of Today's Life Insurance Sales Market."

Pittsburgh—Thomas J. McDonough, Bankers Life of Nebraska, addressed New Castle branch Nov. 8; Thomas H. Burke, Penn Mutual, addressed Beaver Valley branch Nov. 9; association officers visited Washington branch Nov. 14; Angelo B. Ratini, regional manager of American Bankers Life, addressed Fayette county branch Nov. 15. Frank J. Kelly, supervisor of Lincoln National Life, spoke to Butler branch on successful selling methods.



- FINANCIAL WORRIES ELIMINATED  
Finest career salary contracts available to new agents.
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Low premium, high cash value whole life plan. Guaranteed Renewable Accident and Sickness and Hospitalization contracts. Disability Income of \$10 per month per \$1,000.
- MODERN LOW COST TERM POLICIES AND RIDERS
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### MIDLAND NATIONAL

Life Insurance Company

WATERTOWN, SOUTH DAKOTA

Licensed in Illinois, 14 states west of Mississippi River, Alaska, Germany and France.



## Your Mutual Benefit Life Man says:



"A  
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insurance  
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When you give your client life insurance that meets his exact needs down to the last tiny detail, you've done a good job. And because you've done a good job for him—you've got a good job for yourself. It's a simple philosophy, but it's a prime reason why Mutual Benefit Life men like George E. Wheeler of Dallas, have so many pleased clients and enjoy so much success right from the start. The Mutual Benefit Life Insurance Company, Newark, New Jersey.



## FRATERNALS

### Omaha W. O. W. Names Collie Oklahoma Manager

T. C. Collie, district manager in Murray, Ky., has been named Oklahoma state manager of Woodmen of the World of Omaha to succeed Walter S. Forbis, Oklahoma City, who has retired. Mr. Forbis is a veteran field worker and has been state manager since 1939.

Mr. Collie will supervise all Oklahoma activities of the society and will headquarter in Oklahoma City. A Woodmen for 10 years, he has been Indiana state manager and district manager in Kentucky and Texas. He is vice-president of Kentucky Fraternal Congress.

### A. A. L. Sets Record in Oct.

October life sales of \$17,162,233 set a new record for Aid Association for Lutherans. It bettered by \$3,159,066 the society's previous single month's sales high for last May. Annual sales to date are 11.6 percent ahead of last year's record-breaking pace.

### Confederation to Buy IBM Electronic System

Confederation Life has approved purchase of an International Business Machines Corp. 705 electronic data processing system as the first step toward automation of its life insurance operations.

The company hopes to achieve improved policy servicing for its policyholders, make savings in administrative costs, create more interesting jobs for its staff and provide for future expansion.

The 705 will provide branches and policyholders with more up-to-date and detailed information, more timely and informative records for its agency force, and will correlate market study statistics with those derived from the production of its field force. The company expects its original \$2 million investment to be written off by savings from the computer within five years. No present employees will be discharged, nor will salaries be reduced. Repetitive and monotonous lower-graded jobs will be eliminated. Management personnel and employees manning the system will be instructed in its operation. A planning group of eight people will develop procedures best suited to the 705 to provide better service than now is available.

The 705 being manufactured for Confederation has a memory unit in which 80,000 characters of information may be stored. Reels of magnetic tape feed data to the machine and record the answers at the rate of 15,000 letters or numbers per second. It is a large-scale data processing system. Study to acquire it has been made over the last three years under R. G. Stitt, who has the responsibility of selecting the system best suited to the company's needs.

### Canada Home Office Underwriters Elect J. D. Riddle New President

J. D. Riddle, underwriting secretary of Excelsior Life, was elected president of Canadian Home Office Life Underwriters Assn. at the annual meeting in Toronto. He succeeded Wray M. Bell, underwriting executive of London Life.

Miss Grace Boes, North American Life of Toronto, was named secretary to succeed Miss Marion Williams, Imperial Life. Representatives of Canadian and U.S. companies met to discuss the latest trends in assessing applications for life insurance.

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We have available at this time, in prosperous Peoria, a splendid opportunity for the man ready for General Agent capacity. Peoria is one of the key market areas of the fabulously rich State of Illinois—and this city is both progressive and prosperous. To the man seeking a career opportunity in a significant Midwestern region—this opening in Peoria can be the perfect answer!

National Reserve Life is one of America's fastest growing companies, and today has passed the two hundred million dollar mark of Insurance In Force. We are currently engaged in expanding our General Agent structure throughout our entire operating area, from the Territory of Hawaii . . . from California to Florida. We provide complete home office cooperation plus maximum sales aids. If you are the man that Peoria spells "future success" to—then write us today! All correspondence will be held in strict confidence. Act now!

H. O. CHAPMAN, Pres.

S. H. WITMER, Chm. of the Board



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"One of the Best"

. . . a reputation earned by Central Life's devotion to progress, consistent with Safety, Service and Quality through six decades . . . a reputation maintained by progressive leadership.



Insurance In Force over \$440 Million  
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COMPANY

HOME OFFICE

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**You Train But  
Do They Do It  
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*Sometimes yes.  
Frequently no.*

There is a way to have your training carried out  
to the letter every time.

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Nobody can change it.

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Do you want to know how simple it is? how  
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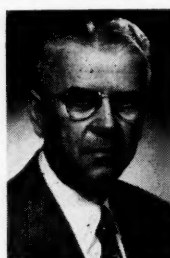


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## N. W. Mutual Actuary Hails Importance of Policy-Size Discount

WHITE SULPHUR SPRINGS, W. VA.—Premium discounts of quantity



Elgin G. Fassel

purchases of life insurance appear to be an important new underwriting development in American life insurance, with the practice already widely in use in Europe, Elgin G. Fassel, senior actuary of Northwestern Mutual Life, said in a paper presented at the annual meeting here of Society of Actuaries.

"Size has been a consideration from time immemorial in the commercial world," Mr. Fassel said. "With such interplay of economic forces it seems surprising that scientific life insurance operated 150 years with rates untouched by the recognition of size so common in commercial pricing. In those earlier days, the effect of size may have been trivial in proportion to the premium, whereas now it has become important. Earlier, the range of policy size was more limited and mortality was then much higher."

Mr. Fassel said that as long ago as 1926, 10 British life companies varied premium rates by size of policy and today 81 out of the 97 life companies operating in Great Britain vary the premium rate for policy size. The same is true, he said, for other European companies.

"In America, with elaborate governmental regulation of life insurance, the business has been less responsive to natural forces and recognition of policy size as an independent variable in premium rates has been retarded," he said.

The first life company on this side of the water to offer a quantity purchase advantage was the London Life of Canada, which started to do so last year, Mr. Fassel said.

It was not until this year, Mr. Fassel said, that action by National Assn. of Insurance Commissioners approving such practice cleared away doubts in the United States as to regulatory approval for this procedure. There are now five Canadian companies and four United States companies offering quantity price differentials for life insurance.

The cost per \$1,000 of life insurance, in those companies offering the new plan differs in some companies as much as \$4 between the smaller and larger policies, according to Mr. Fassel. Most companies apply the quantity discounts by blocks of policy sizes, rather than to change them with every \$1,000 added. Usually, policies for \$5,000 to \$9,999 are taken as the base, with an additional charge for smaller policies and a discount for larger policies. The differences are measured by the actual cost of handling the policies of varying amounts and thus differ between companies.

## Equitable of Iowa to Increase Dividends

Equitable Life of Iowa dividend scale will be increased, effective Jan. 1, according to F. W. Hubbell, president, who said the increase "is made possible by an improvement in interest earnings and by an improvement in

mortality experience." The change in scale varies by plan of policy and age at issue. Since much of the increase in dividends arises from improved mortality at older ages, the largest increase will come at the older ages and longer durations.

The rate of interest on funds left with the company will continue at 3% for 1957, except on those contracts where higher rate is guaranteed.

## State Mutual Revises Ordinary Dividends

State Mutual has revised its dividend scale on ordinary policies for the 1957 calendar year. The changes apply to the current series of policies and to policies issued before 1948 under American experience table of mortality.

For new business issued after 1956, the dividends of life, endowment and retirement income contracts are increased in general for the older issue ages and for the later durations, with some reductions at the earlier durations on the younger issue ages. On business in force which was issued at current rates, dividends will be based upon the new scale with the added provision that no 1957 dividend on such business will be less than the dividend according to the 1956 scale.

For policies issued prior to 1948, the dividends are generally increased.

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## NALU Avoids Stand on Extra-Territorial Status for 20/40 Group Limits

The Committee on Group Insurance of the National Assn. of Life Underwriters held a special meeting at the LaSalle hotel in Chicago Nov. 12. The principal purpose of the meeting was to consider whether NALU, in addition to continuing its campaign to bring about enactment of the so called 20/40 amount limit statutory formula in the various states now lacking such limits, also should seek amendments to the group amount limit laws in states presently having the 20/40 formula so as to give such laws "extra-territorial" effect. Such a proposal, if enacted into law in a state having the 20/40 formula in effect, would require all companies licensed in the state to conform to the limits prescribed by this formula even on group life contracts written and delivered outside the state.

Chairman Harry N. Phillips Sun Life of Canada, Detroit, reported that after a great deal of discussion on the subject, his committee voted to be recorded as having "decided not to take a position with respect to extra-territorial legislation on group life insurance limits at this time." He announced that the consensus of the committee was that further study of any such proposal should be held in abeyance until the close of the highly important 1957 state legislative sessions. He pointed out that the degree of progress made by NALU's affiliated state and local associations in obtaining enactment of the 20/40 formula in the remaining "no limit" states—and particularly in such key states as California, Michigan and New York—would in all likelihood be largely determinative of the need for the committee to reopen the question of extra-territorial legislation at a future date. In the meantime, he pointed out, his committee wished to make it entirely clear that it wholeheartedly endorses the efforts of NALU's state and local associations toward obtaining nationwide adoption of the 20/40 formula.

## Institute Prepares Agenda for Annual Dec. 11 at New York

Institute of Life will hold its annual meeting on Dec. 11 at Waldorf-Astoria hotel, New York City.

The morning session will be opened by the institute chairman, Edmund M. McConney, president of Bankers Life of Iowa, whose topic will be "Men Rather than Symbols." This will be followed by the premier showing of the institute film, "Measure of a Man," depicting the values that life insurance

brings to family living. Holgar J. Johnson, president of the institute, will report.

Paul C. Smith, president and editor-in-chief of the Crowell-Collier Publishing Co., will address the luncheon on "Communications in Relation to Modern Society."

A panel discussion on "Interurbia—the Changing Face of America" will be based on a continuing study of urbanization trends at Yale university school of architecture. Participants will be William C. McKeenan, vice-president of J. Walter Thompson Co., advertising agency; William H. Whyte Jr., assistant managing editor of *Fortune* magazine; Henry Wallich, professor of economics at Yale, and Norman H. Strouse, president of J. Walter Thompson Co.

## Life Counsel Group to Hold Winter Meet Dec. 10-11 in N. Y.

Assn. of Life Insurance Counsel will hold its winter meeting Dec. 10-11 at Waldorf-Astoria hotel, New York.

First day speakers will be Elisha P. Carrier of National Life & Accident on "The Doing Business Rule with Respect to Mortgages"; George R. Walter Planning of Small Estates"; and Richard H. Hollenberg of Fidelity Mutual on "The Effect of Delay in the Presentation and Payment of Claims." In addition a panel discussion on agency renewals will feature Carlyle M. Dunaway of National Assn. of Life Underwriters, Hugh M. MacKay of State Mutual and James N. Ackerman of Bankers Life of Nebraska.

Closing day speakers will be Kenneth L. Kimble of Life Insurance Assn. of America at Washington, D.C., on "The McCarran Act and the Constitution"; Buckner S. Morris of Provident Life & Accident on "The Status of Retaliatory Legislation in the U.S."; Bernard Sprung of Equitable Society on "A Lawyer's Look at the NAIC Advertising Code for A&S"; and Willis H. Satterthwaite of Penn Mutual on "Regulation of Life Company Investments and the Rule of Comity."

A panel discussion on noncancellable definitions will include Daniel J. Reidy of Guardian Life, James L. Moorefield of Paul Revere and Allen C. Steere of Lincoln National Life.

## Cal. A & H Men Elect

F. Kenneth Stoakes, general agent for Loyal Protective Life at Los Angeles, has been elected president of California Assn. of A & H Managers. Richard H. Dutwiler, National Casualty, is the new vice-president, and Earl Montgomery, Provident L. & A. was elected secretary-treasurer.



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Non-Cancellable and Guaranteed Renewable to Age 65  
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THREE PLANS AVAILABLE...  
The Modern Low Premium Way to Insure Against Catastrophic Medical Expense

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Desirable Agency Openings Available in the Following:

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We offer a hard-hitting, sales producing program, from "mail to sell". Everything furnished to you without charge.

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This is truly a "ground floor" situation. L.I.C.A.'s vigorous program of agency building spells O-P-P-O-R-T-U-N-I-T-Y for you!

## Eager New Agents Provide Candid Sales Tips at Peoria Sales Congress

The sales congress of Peoria (Ill.) Life Underwriters Assn. last week was unique. The program was devised to "separate the men from the boys" and give each group an opportunity to learn how the other operates.

One panel, composed of eager young agents, ages 23 to 32, provided a supply of stimulating sales tips for the new men—many of them undeniably helpful to the "older men," too. Another panel, just as eagerly received, but a bit deeper in approach, went into the intricacies of advance underwriting. Both panels were repeated, giving novice and veteran alike a chance to take in both.

The Peoria sales congress, aptly called "Salescapades," definitely appeared to be successful product of a lot of forethought and planning. Hobe Albright, New York Life, Peoria, was the able general chairman of the Salescapades committee which was roundly applauded for the streamlined pace of the congress. The old tradition of speech after speech gave way to fast moving panel discussions, a tempting trend of the business.

The only time the big Salescapade turnout of about 400 persons got together all at one time was at a luncheon which climaxed the affair. The Salescapades was held the day after the mid-year meeting of the Illinois association. Both groups convened at the Pere Marquette hotel in Peoria.

The luncheon speakers were John H. Muller, vice-president of Equitable Society, and A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, NALU president. The limiting of speeches to a couple of good after-luncheon talks by a couple of talented speakers won the enthusiastic approval of the agents. As a result of this streamlining—stimulating panel discussions before lunch and a couple of fine talks afterwards—the one-day sales congress was all over by 2:30 pm, in plenty of time for visitors to catch the 3 p.m. Rock Island Rocket to Chicago and other points along the way.

G. Chapman Caldwell, Penn Mutual, president of the Peoria association, presided at the luncheon. Peoria association members, respected as a fine group of association wheel horses, proved to be capable hosts to both Salescapade visitors and to the Illinois association meeting on the previous day.

Richard T. Christoff, Penn Mutual, Chicago, 23, in the business two years and a million dollar producer, moderated a panel of young men who candidly discussed their sales methods and left some of the veteran agents shaking their heads in wonder at what "the kids can do." Other members of this panel were Eldon L. Steffen, 32, Northwestern Mutual Life, Cissna Park, Ill., also in the business two years and a million dollar producer; Frank M. Van Auker, Massachusetts Mutual, Peoria, who started writing insurance before he got out of college 4½ years ago, and Keith Holloway, 26, Prudential, Pekin, who quit teaching and coaching last June and since has written more than \$300,000 in insurance.

Despite their common success, these men were not all alike. They all are sincere, sold on insurance, and recognize the need for prospecting, but from then on, each seemed to have his own style for success.

Mr. Christoff believes in the use of the telephone exclusively. He makes

60 calls a week, sees at least 6 of these, and closes 2 or 3 sales a week. He specializes in retirement income plans. When he calls a fellow on the phone, and the other end of the line says, "I don't want any insurance," Mr. Christoff reminds the prospect that he is "selling savings." If the prospect then shows any interest at all, he asks him how much he can save a week. If it is not at least \$3 or \$4 a week, Mr. Christoff said he doesn't bother to set up an interview. "Too many other people have money to buy insurance to waste time on those who claim they can't afford it," he said. Mr. Christoff does a lot of prospecting among young residents in the Chicago north shore and suburban area. He hires a part-time girl who cuts prospects out of suburban newspapers, including the names of newcomers to suburbia, new parents, the newly married, etc.

Mr. Steffen lives in a small town in the heart of rural Illinois. He doesn't phone anybody. He goes to see everybody—farmers and farmers' sons after they get out of high school.

Mr. Van Auker's method is still different. He lives in Peoria, a middle size city, and does a lot of programing. He gets prospects from his new policyholders, who, when properly serviced, are glad to help. He asks them who among their friends and associates they would go to see if they were to start in the life insurance business.

Mr. Holloway is a new salesman but doing exceptionally well. He said he went like "hell" for the first few weeks in the business and then ran out of prospects. He quickly learned that he had to prospect at the same time he was making sales.

All four panelists said they prospect pretty much through their new policyholders. Mr. Christoff, in fact, has 23 policyholders in one large Chicago bank.

The advanced underwriting panel was moderated very skilfully by William T. Beadles, vice-president and an insurance professor at Illinois Wesleyan university. He kept the discussion on the track and to the point. After it was over he gave a succinct and lucid summary of what went on. His years as an educator apparently have taught him not to assume the audience knows everything. As a result, he brought out the best in the other panelists. They were Harry Scharlach, Prudential, Watseka; William Y. Komaiko, New York Life, Chicago, and E. G. Zendt, Connecticut Mutual, Peoria.

Mr. Scharlach works the rich corn country of central Illinois and does a lot of programing in estate planning for farmers who have substantial holdings. He pointed out that good Illinois soil these days is valued at \$400 to \$600 an acre and that farms are fewer but bigger. This means that today's farmer is a modern business man with a big capital investment and, of course, has estate and tax problems. Mr. Zendt and Mr. Komaiko did fine jobs in explaining the split dollar and short term trust plans.

There were two other panel discussions during the busy sales congress, one on A&S and the other on direct mail. The A&S discussion featured Robert D. Walter, Prudential, Peoria, the moderator; Roy E. Davis, Illinois Mutual Casualty, Peoria; Richard A. Graddy, Metropolitan Life, Quincy, and

(CONTINUED ON PAGE 30)

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Complete line, low cost  
Life, Accident, Sickness and Hospitalization policies

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INSURANCE COMPANY  
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# COMPANY & AGENCY CHANGES

## Midland National Life

Three promotions have been made in the company's agency department. **William G. Coursey** has been advanced to agency vice-president, **Charles M. Enabnit** to superintendent of agencies, midwestern division, and **George F. Whelan** to agency secretary. Mr. Coursey joined the company as director of A&S sales promotion in July. He had been managing director of International Assn. of A&H Underwriters for over five years. Mr. Enabnit previously had been assistant superintendent of agencies and a general agent in Casper, Wyo. Before joining Midland National, he was assistant state manager of Wyoming for Mutual of New York. Mr. Whelan was also assistant state manager of Wyoming for Mutual of New York. Prior to his current appointment, he was a representative for Minnesota Mutual Life in Cheyenne.

## Republic National Life

**Allen Cureton** has been promoted to assistant vice-president and director of A&S sales. Mr. Cureton has considerable experience as an A&S producer and supervisor before joining Republic National in 1953 to develop the company's A&S sales program, both agency and brokerage. Mr. Cureton is a past president of Dallas A&H Underwriters Assn. and currently is president of A&H Sales Management Club.

## Prudential

Staff managers **Carlyle D. Hillsman** and **Walter J. Pieper** have been named training consultants. Mr. Hillsman joined Prudential in 1951 as district agent in San Francisco and was promoted to staff manager at San Rafael, Cal. Mr. Pieper has been with the company since 1949, was appointed staff manager at Oakland and later was transferred to the Hayward district agency.

## John Hancock

**David F. Jackson Jr.**, assistant district manager since 1954 at Attleboro, Mass., has been appointed home office agency assistant—sales promotion. He joined the company as a clerk in the underwriting department in 1948 and became an agent in Attleboro in 1949. He is a CLU.

## Continental Assurance

**Thom L. Jordan** has been named pension consultant for the company's northwest territory with offices in St. Paul. Prior to this assignment, he was sales and service representative for Continental's retirement and special plans department, covering the mid-west territory. He has been with the company since 1954.

## Church Life of N. Y.

**Samuel L. Tucker Jr.** has been appointed actuary. **Gilbert E. Ault**, who has been actuary, will continue as actuary of Church Pension Fund, of which Church Life is a subsidiary. Mr. Tucker entered the business with Colonial Life in 1938, later was life actuary of the Pennsylvania department and recently was vice-president and actuary of McLaurin & Associates, pension consultants in Detroit.

## Union Mutual Life

**Robert M. Greaney Jr.** has been named a home office field supervisor in the agency department. He has been general agent of Bankers National Life for two years and previously was with Provident Mutual at Falmouth Foreside, Me.

## Old Line of Wis.

**Franklin P. Graf**, a certified public accountant since 1949, has been appointed to the newly created post of comptroller for Old Line Life of Mil-

waukee. He previously was an agent for the U. S. internal revenue department and also has worked for the Wisconsin department of taxation.

## North American L. & C.

**John F. Musser** has been appointed group sales manager. Mr. Musser, who has been in the group business since 1945, was formerly with John Hancock and Prudential.

## Teachers and CREF

**Donald L. Fuchs** has been named associate investment officer. He has been assistant treasurer of Chase Manhattan bank at New York.

## Berkshire Life



J. A. Klejna

**Joseph A. Klejna** has been named general agent of a new agency at Springfield, Mass., with offices in the State - Pleasant building at 622 State street. He entered the business with Prudential at Springfield in 1951, becoming brokerage manager in 1954 and division manager in 1955.

## New York Life

A third branch office has been opened in Los Angeles, with **Robert Wilkinson** as manager. The new office is at 4050 Buckingham road in the Crenshaw area.

A sales office has been opened at Pomona, Cal., in First Federal Savings building. **Jarrell Gunstream**, assistant manager, is in charge.

The branch at Seventh and Spring streets in the Van Nuys building at Los Angeles has been remodeled. It is headed by **Chase Wickersham**, manager, and **Francis L. Brackett**, associate manager.

Open houses were held at the two new offices and at the remodeled office.

## New England Life

**Robert J. Reilly** and **Donald McArthur** have been named district group representative and group representative, respectively, at New York. Mr. Reilly was in Prudential's group department from 1936 to 1953, when he became district group supervisor at New York of Security Mutual Life of Binghamton. Mr. McArthur, in the business 10 years, has been group sales representative of Zurich and Security Mutual at New York for three years.

## Protective Life

**William L. McDonald**, **Herman Eastland III**, **Charles J. Aertker** and **A. B. Stalvey** have been appointed general agents at Garland, Tex., Dallas, La-fayette, La., and Lumberton, N. C., respectively. **William E. Baker** has been named associate general agent at Norfolk. Mr. McDonald was general agent of Texas Prudential at San Angelo, Tex., for nine years. Mr. Eastland, a CLU, has been with Texas Prudential for seven years and previously was with Bankers Life of Iowa. Mr. Aertker formerly was with Pan-American Life at Baton Rouge. Mr. Stalvey has been with Jefferson Standard and previously was with State Capital Life. Mr. Baker has been district manager of American National.

## Commonwealth Life

Three new branch managers have been appointed. They are **August F. Banko**, former agency supervisor at Evansville, Ind., who becomes manager at Youngstown, O.; **David E. Rikard** and **James R. Kimmel**, former

agency assistants, who become managers at Kingsport, Tenn., and Jackson, Miss., respectively. Mr. Banko joined Commonwealth at Evansville in 1955. Mr. Kimmel, who became an agency assistant in September, joined the company last February at the home office agency in Louisville. Mr. Rikard, in the insurance business for five years, joined Commonwealth at the beginning of this year as a field training manager and became an agency assistant later this year.

## United States Life

**Grank M. Mugno** has been appointed general agent in Baltimore. He has been sales manager of the Apple agency of Travelers in Baltimore since 1955. He operated his own fire and casualty agency in Brooklyn from 1949 to 1955 and, at the same time, was brokerage supervisor of the Goldberg agency of Travelers in Brooklyn. He was with Prudential in Brooklyn from 1946 to 1948. He is a CLU.

## Standard of Oregon

**Robert B. Fretweel**, in insurance since 1949, has been appointed manager of a newly created agency at Sacramento, Cal. Establishment of a new Sacramento agency is part of Standard's golden anniversary year expansion program in the west.

## Connecticut General

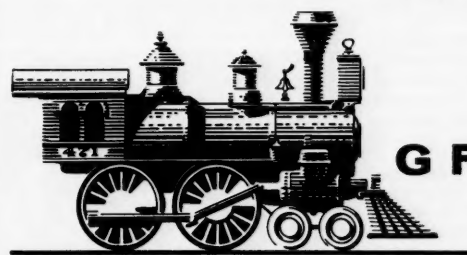
**Russell E. Larkin** has been appointed manager of a new agency at 18 East 41st street, New York City. This office and the 225 Broadway branch, which he has been heading, will be under his over-all direction. **George H. Gleason**, now in charge of brokerage at 225 Broadway, will direct the staff at that office. **Patrick T. Cahill** will have similar responsibilities at the 41st street office.

**Raymond J. Mals** has been appointed assistant manager at Evanston, Ill. **Frederick S. Volotta** has been named staff assistant at Syracuse. **Joe N. Johnson** and **Raymond H. Foster** have been named brokerage consultants at Charlotte.

## Prudential

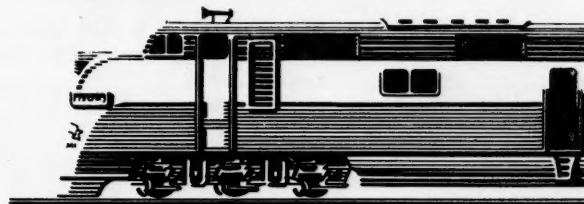
A new district agency has been opened in Philadelphia to handle business in northeast parts of the city and several nearby communities formerly served by three existing district offices. **Frank W. Hayes**, staff manager since 1948 at West Chester, Pa., has been district manager of the new agency. He has been with the company since 1938 and is a CLU.

**Kenneth H. Avery** has been named district manager at Schenectady, N.Y., to succeed **Douglas Hans**, who has been



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appointed district manager at Jamestown, N.Y. Mr. Avery joined the company in 1937 at Hudson, N.Y., and has been a training consultant at the home office for two years.

**Raymond F. Baxter**, formerly training consultant, has been appointed manager of the Sacramento district agency. He joined Prudential in 1946 as an agent and subsequently was promoted to staff manager in the Berkeley and Concord, Cal. offices and training consultant.

The detached office at Toms River, N.J., has been given district agency status. **William Z. Hinshaw**, who joined the company in 1940 and has been district manager at Atlantic City, has been named manager at Toms River. **Leo Sadkowski**, who joined the company in 1947 and has been a training consultant, succeeds Mr. Hinshaw at Atlantic City.

### Occidental of California

**Delbert L. Barnett** and **Peyton T. Gish** have been appointed brokerage managers at Oakland and Dallas, respectively. Mr. Barnett, who has been with Occidental for two years, formerly was with Prudential for two years at San Francisco. Mr. Gish has been in insurance in Dallas since 1947 and assistant brokerage manager there for Occidental for the past two years. He is vice-president of Dallas A&H Underwriters Assn.

**Ben F. Martin Jr.** has been named assistant manager at the Miami branch. Now his fourth year with Occidental, Mr. Martin in 1955 received the company's award of distinction for leading its 3,500-man field force in the sale of A&S.

**J. Herbert Kirk**, **Carl E. Beckham** and **Robert R. Storey** have been appointed brokerage manager at Newark, Davenport, Ia., and Nashville, respectively. Mr. Kirk is joining Occidental after three years with New England Mutual Life and National Bankers Life in New Jersey. Mr. Beckham has been with Occidental for 18 months. Prior to that he was in sales work at Moline, Ill. Mr. Storey is joining Occidental after a year with New York Life.

### Life of Virginia

**W. Barton Baldwin** has been named manager at Norfolk. He entered the business with Provident Mutual at Norfolk in 1936 and after World War II military service was advanced to supervisor. He became manager of State Mutual in 1954. He is vice-president of Virginia Assn. of Life Underwriters and past president of Norfolk association.

### Life of Georgia

**L. C. Tubb** and **Harold E. Butler** have been promoted to district managers at Tupelo and Vicksburg, Miss., respectively. Mr. Tubb, who has been staff manager at Columbus, Miss., succeeds **W. O. Houser**, who returned to personal production in Daytona Beach, Fla. Mr. Butler, who has been staff manager at Greenville, Miss., succeeds **Howell P. Pettigrew**, who returned to his former home, Spartanburg, S. C.

### Southland Life

**Keith W. Kingwell**, formerly a field assistant at the home office, has been named manager of the company's Portland (Ore.) agency. Mr. Kingwell entered insurance in 1950 as an agent in Portland for Southland. He was there for 5½ years before going to the home office a year ago as field assistant.

### Great-West Life

**A. W. Stewart** has been appointed manager at a new branch in Toronto, the company's sixth in that metropolitan area. Mr. Stewart joined Great-West in Winnipeg in 1950 and was appointed a branch supervisor in 1954. The new office will be located temporarily in the company's Toronto

branch at 320 Bay street, until suitable permanent offices are arranged.

### Travelers

**Henry Oltmanne Jr.**, **Denver, J. Yves Pilon**, **Ottawa, Canada**, and **G. Arthur Bartel**, **Omaha**, have been named field supervisors. **Donald G. Schlesinger**, **Oklahoma City**, and **Charles K. Beyrer**, **South Bend**, have been named agency service representatives.

### General American Life

**Sam D. Bunnell**, formerly group representative for Southland Life at Denver, has been appointed district group manager at the Pittsburgh branch for General American.

### Postal Life

**Don W. Swain** has been named general agent at Washington with offices in the Tower building. He entered the business with Union Central 25 years ago and has been manager of the life department of Continental Assurance, manager of Acacia and, since last year, general agent of Continental American Life.

### Bankers Life of Iowa

**Theodore Hahn** and **R. L. Bailey** have been appointed managers at Omaha and Mason City Ia., respectively. Mr. Hahn formerly was assistant manager of the Fraser agency of the company at Lincoln, Neb. He joined the Lincoln



Theodore Hahn



A. L. Bailey

agency in 1942, was appointed agency supervisor in 1949, and assistant manager in 1952.

Mr. Bailey replaces his father, Roy, who has retired under the company's pension plan for health reasons. The younger Mr. Bailey joined the Mason City agency in 1950 and was appointed agency supervisor in 1952. He has served as the youngest president ever of the Mason City District Life Underwriters Assn.

### Equitable Society

Newly appointed agency assistants are **Waymon W. Beeson**, **Castro Valley, Cal.**, **John S. Berlin** and **Earle L. Hanna**, **Covina, Cal.**, **William H. Crafton Jr.**, **Evansville, Ind.**, **Sidney R. Grine**, **Richmond**, and **Marvin E. Jensen**, **Glendale, Cal.**

### All American L. & C.

**I. D. Newmark** has been appointed regional director for Missouri and central Illinois with headquarters at Clayton, Mo., a suburb of St. Louis. He has been in insurance for 33 years, 15 of those years with Franklin Life and three years with Crown Life.

### Fidelity Mutual Life

**R. Louis Hatzes** has been named assistant general agent at Washington. A CLU, he entered the business with the company at Washington in 1950 and was named supervisor in 1951.

**Homer E. Brown**, home office underwriter for Midland Mutual Life, recently was presented with a quarter-century pin in recognition of his 25th anniversary with the company.

**Mutual of New York** has lent \$3.5 million to Katz Oil Co. of San Antonio to retire \$2,874,000 of existing notes and provide \$626,000 of additional working capital for drilling wells.

## RECORDS

**GREAT SOUTHERN LIFE**—The field force broke all previous company records during October when it wrote \$14,012,340 in new business which was dedicated to P. M. Greenwood, president, whose birthday occurs in October. Perry W. Horine, Corpus Christi, who had sales of \$400,190 in October, led the 278 Great Southern agents who contributed to the record. The Southwest Texas agency, with which Mr. Horine is associated, finished in second place among the company's 25 agencies. The Houston City agency led the agencies with \$2,595,862 for the month.

**GUARANTEE MUTUAL LIFE**—Life sales for the first 10 months of 1956 are 19.2% above the same period last year, and commercial A&S sales are up 33%. Commercial A&S sales for October exceeded A&S sales for the same months last year by 43.9%. The Leonard & Sons agency of Tulsa is the leading agency for October and the Knutson agency of Portland, Ore., is the leader for the first 10 months of this year. Raymond J. Munitz of the Lifitsz agency of Akron is the leading agent for October. Abe Newman, also of the Lifitsz agency, ranks in second place for the month.

**EQUITABLE LIFE OF IOWA**—Sales for October in the first 10 months of 1956 were the greatest ever. New paid production for October amounted to \$13,111,563, an increase of 15.9% over the corresponding month in 1955. This brought total production for the first 10 months to \$124,294,067, a gain of 6.3% for the first 10 months of 1955. Life insurance in force at the end of October climbed to a new high of \$1,477,413,545. The Bell agency of Seattle led all agencies.

**JEFFERSON STANDARD**—A 5-week campaign in honor of President Howard Holderness, who marked his birthday the day before the sales effort ended, resulted in written business of \$33.5 million, breaking all records for similar sales periods and exceeding its goal by 10%. Applications for \$25.5 million were received in October, \$2 million more than any previous month. A large birthday cake with candles representing \$1 million of written business apiece was presented to Mr. Holderness on behalf of the sales force by Miss Mary Taylor, agency relations director.

**NATIONAL LIFE OF VERMONT**—Paid-for business in October was the largest for any single month on record. It totaled \$25,733,255, up 56.34%, and was 10.30% greater more than December, 1954, the previous record month. Top agencies in order of October production were Dillon in Atlanta, Johnson in Chicago, Kellam in New Canaan, Burroughs & Hatch in Manchester, Hodes at New York, Stoessel in Los Angeles, Richardson in Virginia, Bender at New York, Smyth in Hartford and Martin in San Francisco.

**INDIANAPOLIS LIFE**—The company field force registered a 30% gain in paid volume over October of last year. For the first ten months of 1956, volume is 18% ahead of the comparable period of last year. Kaufman Agency of Shelbyville, Ind. was the company's leading agency in this record-breaking month, as well as for the year to date.

**North American of Chicago**—A 25% increase in life volume in October over the corresponding month last year has been recorded by North American Life. Sales of A&S increased 20% over the previous October in terms of new premiums. Applications in all classes showed a 29% rise.

Savage agency of New England life in Baltimore led the company in September sales. Sigmond M. Hyman of the agency led the company in September with new life sales of \$2,721,000.



**Neighbors now**, **J. Hicks Baldwin**, of New England Mutual Life, recently reelected treasurer of National Assn. of Life Underwriters, (left) shakes hands with **Charles M. Boteler** of Washington, D. C., treasurer of National Assn. of Mutual Insurance Agents. Both national treasurers are residing in the nation's capital. Mr. Baldwin is the brother of Philip M. Baldwin, executive secretary of N.A.M.I.A.

### New Insurer Gets Arkansas Charter

Washington Standard Life has been chartered in Arkansas with headquarters at 409 Rector building, Little Rock. Paul Chambers, Democratic national committeeman for Arkansas, is president, and J. R. Covington of Little Rock is secretary-treasurer. Mr. Covington was with the old Home Life of Arkansas. When it was reinsured by Central States Life of St. Louis he went with that company.

Mr. Chambers said Washington Standard is opening for business with \$100,000 capital and \$100,000 surplus. The company has been authorized to sell 25,000 shares at \$5 common voting stock. Mr. Chambers said the company does not plan a public sale of its stock because \$200,000 already have been subscribed and paid in. Shareholders paid the same \$5 a share for their stock and no promotional stock was awarded.

### Programming Booklet Is Just Off Press

**Practical Profitable Programming**—by O. Alfred Granum, CLU, published by the Diamond Life bulletins department of The National Underwriter Co., is just off the press. Mr. Granum describes his unique two-interview method of programming. He shows how to blend quickly and effectively certain well-chosen words with highly effective selling skills to produce a "just-right" environment for successful close of business. The booklet describes these seven steps of program selling: Prospecting, pre-approach, approach, fact-finding, solving the problem, closing, post-sale service. It is written primarily to help the career life agents inject highly effective bits of selling know-how and wisdom into his own programming technique to improve his own skills. It gives actual sales language in bold face type which can be used word for word, idea for idea. Prices: Single copy, \$1.25, less for quantity orders. Size: 5½" x 8", 48 pages.

### Convention Dates

Dec. 3-7, National Assn. of Insurance Commissioners, semi-annual, di Lido hotel, Miami Beach.  
Dec. 12-13, Life Insurance Assn. of America, annual, Waldorf-Astoria hotel, New York.



## Impales Bugs in Bank Loan Curb Proposal

(CONTINUED FROM PAGE 1)

ridiculous extensions of the scope of the single-premium rule eventually could impair the normal utilization of credit to pay premiums on needed life insurance and annuities. We must guard against such a result.

"The approach suggested by the Treasury should be carefully considered from the administrative viewpoint. For example, would it not be difficult to establish whether a policy was purchased pursuant to a plan which contemplated that a substantial number of premiums would be paid out of borrowed money?

"When this proposal is reduced to statutory language it should be carefully examined to determine (1) whether it is administratively feasible, and (2) whether it impairs the legitimate use of borrowed funds to pay premiums on life insurance and annuity contracts or discriminates against life insurance investments in favor of other forms of investment."

Regarding the Treasury's suggested restoration of the premium payment test, which was in effect prior to the 1954 code revision, Mr. Thore explained that the proceeds of a life insurance policy were previously taxable in the estate of the insured to the extent that the premiums had been paid directly or indirectly by him. This was the case even if all incidents of ownership were vested in a person other than the insured.

"This objectionable test was removed in 1954 after lengthy hearings and consideration by congressional committees," he said. "To say that it represents an unintended benefit or hardship is to assume that Congress did not realize the significance of its action in 1954. The *Congressional Record* disproves such a conclusion. However, the deletion of the test from the estate tax law was controversial. There are several reasons why the life insurance companies oppose the reinstatement of the premium payment test:

"The test discriminates against life insurance in favor of other forms of property. No such test attaches to a transfer or ownership of other property interest.

• "The test creates a hardship in the case of small or medium size estates and discriminates in favor of larger estates.

• "The test creates a hardship in the case of small business.

• "Reinstating the premium payment test would add to the confusion that already exists in the estate tax law as applied to life insurance.

• "The premium payment test is of doubtful validity under the constitution. It has been held unconstitutional by the circuit court of appeals for the Seventh circuit in *Kohl and Harley vs. United States*, 226 F (2d) 381.

"A solution suggested by the Treasury is that if premiums are paid by the policy owner, directly or indirectly, there would be included in his estate the difference between the proceeds received upon death and the reserve at the time of death, or possibly the cash surrender value at the time of death. This might be applicable with respect to estates of policy owners dying after enactment of the new law in which this provision is incorporated. The published proposal does not include a method for applying the new treatment to contracts now opened by donees.

"This proposal is also opposed by the life insurance companies. All of

the objections to the premium payment test apply with equal force to this proposal. The only difference is that the benefit subject to estate tax would be reduced by the cash surrender or reserve value. Such a split in the policy proceeds does violence to the life insurance contract."

Regarding the existing law permitting an exempt educational, charitable or religious organization to purchase annuities for its employees, Mr. Thore explained that under present law the annuity becomes taxable to the employee when he receives payments after retirement, not when the employer pays for the annuity. It is not necessary that the plan qualify as non-discriminatory under the standards provided for employee pension plans.

"It is alleged that in some instances tax-exempt organizations have paid selected part-time employees all or almost all of their compensation in the form of an annuity, thus deferring the income tax on the compensation until retirement," Mr. Thore said.

"It is proposed that the blanket tax deferral for annuities given to employees of these exempt organizations be available only in the case of those organizations that pay no more than 10% of the compensation of any employee in the form of an annuity contract. It is contemplated that a special ruling would be adopted to permit contributions for past service.

"The changes suggested might be made effective with respect to premiums paid on annuity contracts in taxable years beginning after Dec. 31, 1956. This would mean that on existing annuities premiums in excess of 10% of the employee's wage would become taxable income to the employee for tax years beginning after Dec. 31, 1956. Under this treatment no advantage would be gained by installing new annuity plans between now and the first of the year."

Mr. Thore said that entirely aside from what the Mills subcommittee on internal revenue taxation is trying to do about the payment of premium test, bank-loan plans, and the use of annuities as compensation, congressional studies which by 1958 may produce some pronounced changes in federal tax laws affecting life insurance policyholders, annuitants, and beneficiaries will receive consideration during the coming year. He said however, that it is too early to judge the impact on life insurance of the long-range consideration of broad and general revision of the tax code. What the Mills subcommittee is doing now is to correct "unintended benefits and hardships" arising out of the 1954 code.

### Okla. A&S Group Elects

Health & Accident Insurers of Oklahoma, a public relations organization of company men, has elected Howard Hentz, Globe L.&A., as president; Ralph Troyer, Western Security Life, as vice-president, and Leonard Carter, Commonwealth Life of Tulsa, secretary-treasurer.

### WANTED CREDIT LIFE EXECUTIVE

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## Tells How Research Helps Insurers, Managers

(CONTINUED FROM PAGE 15)

bracket differ with respect to the amounts of money they put into life insurance.

On agent selection, an area in which LIAMA has perhaps made its greatest strides, Mr. Wallace said he foresaw "considerable increased improvement, not only for ordinary agents, as we validate experimental items on the *Attitude Index* and revise it, but also for combination agents through further development of our *Combination Inventory* tests."

He also predicted ultimate results in A&S selection, but noted that progress here must await a better understanding of the relationship between the production of A&S and ordinary.

Over-all problems of sales management will involve, Mr. Wallace said, answers to such questions as: "Why do companies X, Y and Z have good persistency, while companies A, B, and C have low?" Or, "Why did scratch agency B in Corinth fail while scratch agency G succeeded?"

Looking at present stages of LIAMA's research program, Mr. Wallace cited recent findings to indicate the acuteness of the management development problem: Of the agents contracted by 21 large companies in 1950, only 4% had entered management for their original company by the end of the fifth contract year. For medium and small companies, he said, the figures are the same.

Agency officers were invited to attack this problem through LIAMA's *Career Analysis Procedure*, which attempts to put the management selec-

tion problem in the proper perspective and relationship to agent and managerial development.

"We are involved in a vicious circle," Mr. Wallace said. "We can't have good supervisors unless we keep and develop more of our better agents to provide a selection pool; but we can't keep and develop more agents unless we have better supervision. The basic concept of the *Career Analysis Procedure*, the second look with all it implies for diagnosis and continued training of the career agent and the development of managerial potential, springs from a recognition of this fact. Whether it can actually help you or whether you will allow it to help you remains to be seen." But he pointed out that "continued temporizing with this problem through 'rescuing' each other's agents and supervisors can never lead to an industrywide solution."

Mr. Wallace described "the basic responsibility" LIAMA has to keep companies informed. By providing agency officers with a "liberal education" in life insurance distribution, he suggested that they are better equipped to grasp and solve problems. He showed how LIAMA does this primarily through regular and recurring surveys, as well as reports on company practices in various areas.

Because of the information LIAMA provides, Mr. Wallace opined that life insurance sales executives are as knowledgeable a group of executives about their total industry as can be found.

Looking closely at each area of LIAMA's current research program, Mr. Wallace reviewed progress and pointed to specific instances where re-

(CONTINUED ON NEXT PAGE)

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Stock Life & A&H Co. now being formed in Michigan needs a few more Officers, Directors & Incorporators experienced in Home Office Clerical, Executive & Sales Office and Field. Would you like to move up? Own a part of this? Write Box R-34, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## NALU Leaders Attend Ill. Life Agents Parley

(CONTINUED FROM PAGE 2)

western Mutual, Kewanee, secretary-treasurer, and Kenneth A. Mullins, Great-West Life, Chicago, 2nd vice-president.

New directors of the round table are Arthur D. Brunk, Equitable of Iowa, Champaign; Lee E. Gleasner, Massachusetts Mutual, Chicago; Russell W. Steger, New England Life, Chicago; Tom L. Keeney, Northwestern National Life, Sterling; O. F. Little, Home Life of New York, Chicago, and Frank Van Auker, Massachusetts Mutual, Peoria.

Speaker at the round table luncheon was Edmund L. G. Zalinski, vice-president of John Hancock, who earnestly called for a spirit of cheerfulness, pointing out the futility of bemoaning the and setbacks an agent may run up against in these days of aggressive competition.

A record 26 of the 29 Illinois local associations were represented at the mid-year meeting. A total of 76 delegates were present and demonstrated a mood of unity and concurrence. They

assured Mr. North and Mr. Schriver that they were going to "get going" in the continuing drive to put Illinois among the top contributors to the new NALU memorial building that will go up soon in Washington. Instead of another warmed-over campaign to boost the building fund, Mr. North said Carl Lindstrom, Travelers, Evanston, president of the state association, plans to name a state committee to work continuously on the building fund campaign. He said the state committee in turn will seek the aid of special committees at the local association level.

Mr. Schriver said the Washington building probably will cost nearly \$1 million, way more than was originally estimated, but, he added, it will be worth it. He said if the hod carriers union can spend \$3 million to build a new headquarters in Washington, he didn't think it was a bit out of line for the life agents to be willing to spend at least \$1 million. He said the Washington headquarters will go up on the

most beautifully and strategically located spot in the country. It will be just across the street from the office of the secretary of state when the State Department completes its proposed \$5 million project in the neighborhood.

Mr. Schriver said he now believes it providential that NALU headquarters will be in Washington. "If the people on Capitol Hill want to know who we are," he said, "we can just take them over to C street and show them a modern workshop representing 65,000 life agent members. He said NALU should aim for a 75,000 membership total in the next year, but not just for the sake of statistics alone. He explained that it takes not only a numerically great, but also an active, alert and aggressive membership to impress the senators.

He said he thinks it best that the various states and local associations work out their own plans for enlarging the building fund which now has about \$500,000 in the kitty. However, he did suggest that there should be more charter builders. "After all," he chided, "how else could you achieve immortality for \$100. I sometimes think it far better to have your name inscribed on bronze in a conspicuous memorial to your profession in the nation's capitol than on some lonely rock in a cemetery."

The Illinois association also showed itself firmly behind its officers in next year's legislative aim, principally a law abolishing the temporary agents license. Don Forsyth, General American, Springfield, chairman of the law and legislation committee, said a bill to this effect will be in the hopper at Springfield as soon as possible. Also, the association is going to ask Gov. Stratton for daily examinations at Chicago for applicants for insurance licenses. It is believed this request will be granted.

All in all, the Illinois association is doing well. It is operating in the black and now has achieved a membership of 3,858 members. Chicago, with 2,129 members, won the Margaret Becker trophy for percentage increase in membership. The Macomb association, with 26 members, was applauded as the newest local association in the state.

Mr. Lindstrom commented at some length about the new directory of Illinois association members which came off the press just in time for the mid-year meeting. The directory has become a consistent revenue producer for the association and this year's book is considered to be the best ever. Mr. Lindstrom suggested that agents carry the directory around in their briefcases and use it. He said that in years past he use to get the directory, leaf through it, and put it on a reference shelf to let it gather dust the rest of the year. Since then, however, he has turned the directory into a sales tool. He pointed out that it contains the code of ethics of the NALU and, in effect, lists all of the Illinois agents who subscribe to that doctrine of good business ethics.

In his talk before the large banquet audience, Mr. Nussbaum made a stirring appeal for association support. He was enthusiastically received by all for his humor, humility and dedication to his profession.

One of the more popular features of the mid-year meeting was the general agents and managers luncheon. The speaker was Theodore J. Kiesselbach, regional agency vice-president of State Farm, who did an uncommonly fine job of outlining the essentials of good agency operation.

## Tells How Research Helps Insurers, Managers

(CONTINUED FROM PRECEDING PAGE)

search has resulted in practical benefit to companies.

As a preface to this discussion, he said: "Let's recognize that one of the most important factors producing improvements in any of these areas lies in the attitude of the agency officer toward them. Without the agency officer's recognition of the importance of improving his selection, training, field supervision, and his product—and without his determination to effect such improvement—the battle is lost, regardless of research."

Paying tribute to LIAMA companies for cooperating so wholeheartedly in so many research projects, Mr. Wallace predicted that with this continuing cooperation, the potential for future benefits from research is tremendous.

"I foresee no failure," he said, "I foresee, instead, the greatest excitement in the world—discovering the new and helping you use it to improve the old."

## New Agents Provide Sales Tips at Peoria

(CONTINUED FROM PAGE 26)

William E. North, New York Life, Evanston. On the direct mail panel were Millard F. Bingham, Mutual Benefit Life, Springfield, moderator; Arthur J. Goodman, Indianapolis Life, Bettendorf, Ia.; Louis Fish, Mutual Benefit Life, Joliet, and Raymond D. Danielson, State Farm, Bloomington.

The CLUs were up early before the sales congress started for a breakfast meeting. Speaker at this session was Leroy G. Steinbeck, managing director of American Society of CLU. He gave a very worthwhile talk on "Continuing Competence," and also conferred CLU designation upon those in the central Illinois area who have qualified for this professional rating.

## New LIAMA Manual Helps

### Conduct Job Satisfaction Surveys

LIAMA has published the *LIAMA Inventory of Job Attitudes*, a manual designed to help companies administer their own job satisfaction studies.

The manual describes a comprehensive, anonymous job satisfaction questionnaire to be used with life agents. It indicates certain uses of attitude inventories, step-by-step procedures for conducting a survey and methods of analyzing and interpreting the results. It guides companies considering a "morale audit" by an outside organization.

LIAMA recently conducted a series of studies to find out what kind of questions should be asked on a job satisfaction questionnaire, the best way to ask them, and whether companies could conduct their own studies.

Chicago Home Office Life Underwriters Assn. will meet Nov. 20 at Toffenetti's restaurant. Edward Carlson, president of Institute of Home Office Underwriters will give highlights of the institute's convention to be held in Dallas.

## A Service Guide A

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A

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# Tells How General American Programmed Sales

(CONTINUED FROM PAGE 14)

grams enable the company to build from the ground up and develop its own agency management material. The "charted career program" is for college graduates from 21-24 and includes a training program of seven years, during which the trainee is given intensive training in group, A&S and ordinary and in the recruiting and training of men. At the end of four years the trainee may elect whether he will become a group supervisor or continue his training to become a general agent.

The other program is for men from 25-34, lasts for four years, during which the trainee is exposed to all phases of selling, recruiting and training.

In the second phase of the company's expansion program—development of a product with special sales appeal—Mr. McHaney said action stemmed from the belief that many field men know too little about the product they sell, there is a tendency in the sales end of life insurance to be superficial, and many companies do not concentrate on any particular product.

With an eye to capitalizing on the assembly line principle, General American created a special policy exclusive called "Masterplan."

Suggesting that this policy offers the ideal vehicle for training young men in life insurance, Mr. McHaney said it is something the field men can learn all about and can sell. Admitting that it is not the "be-all and end-all" of life insurance selling, he said, however, "we do concentrate on it with new men for it makes possible not only early training, but adequate and controlled financing."

The third step in the program was to simplify home office procedures and reduce administrative costs. Mr. McHaney explained ways the company achieves among home office people a sense of participation in the company's growth and development. Among these are supervisory training programs, an employees' advisory council, a junior board of middle management supervisors, and a senior officers committee.

One of the main purposes of all of these efforts, he said, is to develop a recognition on the part of everyone

that the company's entire business depends upon sales."

An invitation to the home office staff for suggestions elicited more than 200 recommendations and in less than nine months, according to Mr. McHaney, more than 60% of them had been made effective.

What results have been achieved by this over-all program? Mr. McHaney recalled that 1949 ordinary sales were a little less than \$30 million. Last year General American sales amounted to \$86 million and this year will exceed \$110 million. He said quality did not suffer and the average-size adult sale went from \$5,239 in 1949 to \$8,870 in 1955.

Six years ago the company had four million-dollar agencies; this year there will be more than 40.

Commenting on the growth in number of full-time agents, Mr. McHaney contrasted the 106 men who in 1949 produced as much as \$150,000 of ordinary with 320 who will hit this figure this year.

"While our production has been tripling, and our insurance in force doubling," Mr. McHaney said, "the size of our home office staff has been decreased by 20%. This reduction was achieved without increase in business machine rentals and without dismissals because of job eliminations. Rather, it was done in an orderly way through normal turnover."

The speaker emphasized his belief that no good record in life insurance or any other business can be made unless the officers, supervisors, and associates from the president down have the feeling that they are a vital part of an enterprise that is beneficial to mankind.

"Unless one is imbued with that inner feeling of aspiration and accomplishment, he cannot perform an outstanding service," he said. "It is the job of management to provide a fertile field for that kind of feeling and attitude." He cited a survey among his home office associates. In answer to the question: "Do you as an individual have pride in being in the life insurance business, which serves people—only 13 answered "No" or "Generally no," whereas 423 said "Yes."

President Deane C. Davis (left) and Chairman Ernest M. Hopkins (center) of National Life of Vermont received "Oscars of industry" for the company's annual report from Weston Smith, director of annual report surveys, at a banquet in New York City. The report, held by Mr. Hopkins, won a bronze Oscar as the best published by a life company and a silver Oscar as the best put out by a financial institution. The competition was sponsored by Financial World, national weekly magazine.



## 180 Attend Annual CLU Teachers' Conferences

One hundred and fifty CLU instructors and 30 guests attended an annual series of four teachers' conferences conducted by American College in Columbus, O., Albany, Atlanta and Washington.

A feature was a demonstration of two fundamental teaching methods, lecture and class discussion, conducted by Jack C. Keir, director of educational publications of the college. The groups analyzed the advantages and disadvantages of both methods.

Other discussion topics included teaching techniques for CLU study classes, motivation of candidates, the revised curriculum, the teacher's part in screening candidates, and whether a candidate should try to merely pass the examinations or obtain an education enabling him to provide better service.

Herbert C. Graebner, dean of the college, was in charge. His aides included Mr. Keir and Walter B. Wheeler, director of field services. The CLU instructors are college professors, attorneys, trust officers and agents.

## 'Estate Planners Quarterly' Has Sales Talk on Variable Annuity

NEW YORK—An article in the form of a sales talk on the variable annuity, written by President George E. Johnson of Equity Annuity Life, appears in the current issue of *Estate Planners Quarterly*.

Commenting on the presentation,

Solomon Huber, general agent here for Mutual Benefit Life and publisher of the quarterly, said: "The variable annuity is here to stay in one form or another and we might as well recognize this fact. Life insurance agents whose companies do not propose to write this type of contract will, nevertheless, be compelled to sell it if their clients demand it (assuming that state law permits). These sales will, of course, be placed with other companies as surplus business."

## Life Insurance Men Aid in Slum Clearance Work

Clarence J. Myers, president of New York Life, Milford A. Vieser, financial vice-president of Mutual Benefit Life, and Holgar J. Johnson, president of Institute of Life Insurance, are directors of American Council to Improve Our Neighborhoods, a nationwide slum clearance and urban renewal movement.

Many other insurance men are serving with local organizations dedicated to the same purpose. Among them are Frederic W. Ecker, president of Metropolitan Life, James A. McLain, president of Guardian Life, and William P. Worthington, president of Home Life, members of the New York Chamber of Commerce committee on lower Manhattan redevelopment.

H. Bruce Palmer, president of Mutual Benefit Life, is chairman of the Newark economic development committee, while Frederick H. Groel, vice-president and secretary of Prudential, and Mr. Vieser are members. Thomas A. Bradshaw, president of Provident Mutual Life, is a member of Philadelphia citizens' council on city planning.

Henry E. Niles, executive vice-president of Baltimore Life, and Frederick L. Wehr, vice-president of Monumental Life, are chairman and member, respectively, of the mayor's advisory committee to the housing bureau in Baltimore. Howard W. Kacy, president of Acacia, is a trustee of federal city council in Washington.

Harry C. Gibson, general counsel of Supreme Liberty Life, is a member of Chicago land clearance commission. Powell B. McHaney, president of General American Life, is a leader in Civic Progress, Inc., St. Louis. Henry L. Mahley, John Hancock, Kansas City, is a member of the city plan commission.

Mr. Myers, Mr. Vieser and Mr. Johnson have apprised top management in life insurance of the service opportunities to be found in ACTION. Dr. Louis I. Dublin, consultant on health and welfare to Institute of Life Insurance, is informing the field forces through the institute's newsletter on community health and welfare services.

Mutual of New York has lent \$3.5 million to Katz Oil Co. of San Antonio to retire \$2,874,000 of existing notes and provide \$626,000 in capital.

## Companies Make Early Announcements of 1957 Dividend Action

Name of Company	Current Policies	Old Policies	Funds Left with Company		
			Non-withdrawal %	Withdrawable %	Accum. Div'ds. %
Aetna Life	Same as '56	Same as '56	3	3	3
American Bankers, Tex.	"	"	2.5	2.5	2.5
Austin Life, Tex.	"	"	2.5	2.5	3
Baltimore Life	"	"	3	3	3
Bankers Union, Colo.	"	"	2.5	2.5	4
Calif.-Western	"	"	3	3	2.5
Chicago Metro.	"	"	2.5	2.5	3.5
Christian Mutual	"	"	2.5	2	3.5
College Life, Ind.	"	"	3	3	3
Columbus Mut., O.	"	"	3	3	4
Confederation	"	"	3	3	3
Connecticut Mutual	Increased	Increased	3.35	3.35	3.25
Cona Mutual, Wis.	Same as '56	Same as '56	3	3	3
Excelsior Life, Can.	Approx.	Approx.	3.5	3.5	3.5
Farm Bureau, Mo.	12.5% Incr.	12.5% Incr.	2.5	2.5	2.5
Farmers & Traders	Same as '56	Same as '56	3	3	3
Fidelity Life, Ill.	"	"	3	2.5	3
First American, Tex.	"	"	2.5	2	3
Gibraltar Life, Tex.	"	"	3	3	3 & 3.5
Golden State Mutual	"	"	2.5	2.5	2.5
Great National, Tex.	"	"	2.5	2.5	3 & 3.5
Guarantee Mut., Neb.	(a)	(a)	3	3	3.25
Hoodier Farm Bur.	"	"	2.5	2.5	2.5
Imperial Life, Can.	"	"	3.5(b)	3.5(b)	3.5(b)
Jackson Life, Ark.	"	"	2.5	2.5	3
Jefferson Natl.	"	"	3	3	3
Lafayette Life	"	"	3	3	3
Life & Casualty	"	"	2.5	2.5	3
Lincoln Mut. L. & C.	"	"	2.5	2.5	2.5
Lincoln Mut., Neb.	"	"	2.5	2.5	2.5

Name of Company	Current Policies	Old Policies	Funds Left with Company		
			Non-withdrawal %	Withdrawable %	Accum. Div'ds. %
Maccabees	Approx. 40% Incr.	Approx. 40% Incr.	3	3	3.8
Midwestern United	Same as '56	Same as '56	3	2.5	3
Modern Woodmen	"	"	Guaranteed Rate	2.5	3.5
Mutual Savings, Mo.	"	"	2.5	2.5	2.5
National Fidelity	(f)	"	3.5(d)	4(e)	3
National Life, Vt.	Approx. 2% Incr.	Approx. 5% Incr.	3	3	3
New England Life	Same as '56	Same as '56	3.35	3.35	3.35
Northern Life, Can.	"	"	3.5	3.5	3.5
Old American, Wash.	"	"	3	2.5	3
Pacific Natl.	"	"	3	3	3
Pan-American	"	"	3	3	3
Piedmont Life	"	"	2.5	2.5	3.5
Pioneer Mut., N. D.	"	"	2.5	2.5	3
Presbyterian Min.	Increased	Increased	3.25	3.25	3.25
Provident Mut., Pa.	Same as '56	Same as '56	2.5	2.5	2.5
Republic National	"	"	2.5	2.5	2.5
Savings Bank, Conn.	"	"	3.25	3.25	3.25
Security L. & A.	"	"	2.5	2.5	2.5
Self Help Mutual	"	"	2.5	2.5	3.25
Shenandoah Life, Va.	"	"	3	3	3
State Farm Life, Ill.	"	"	3	3	3
State Life, Ind.	"	"	3	3	3
Union Labor	Approx. 15% Incr.	Approx. 15% Incr.	3(j)	3(j)	3
United Bkrs., Tex.	Same as '56	Same as '56	2	2	2.5 & 3
United Home, Ind.	"	"	3	2.5	3
Western Farm Bur.	(i)	(i)	(h)	(h)	2.5

(f) Except approx. 25% increase on Insurance with Life Income forms.  
(g) 2½% on monthly income; 2% if interest only.  
(h) Interest option 2%; all others 2.5%.  
(i) To April 30, 1957.  
(j) Held in trust policies dated prior to 1948, 3%; dated 1948 and later, 2½%.

(a) As adopted Apr. 1, 1956 and July 1, 1956.  
(b) 4% on Canadian issues.  
(c) Adult only.  
(d) Guaranteed installments.  
(e) Funds at interest.

## Says Traditional Thinking Can Prove Costly

(CONTINUED FROM PAGE 1)

cars in every garage is an exciting incentive—as the mounting traffic of jams attest. . . .

"Make provision for a man to retire on a subsistence income, provide him with minimal protection for his family, and you have taken the first steps toward creating a desire for him to travel, to enjoy more of life's pleasures, to provide a better education for his children, to retire with a better income, and to assure a better standard of living for his family.

"With a great surge of business growth over the long pull being predicted on every hand, with a pessimistic economist being impossible to find, with prospects of doubling our national output in the next 20 years, with business magazine editors predicting 1957 will be the best year we have ever seen, with capital investment in long-range plans running into the tens of billions each year, with net population increases approximating 3 million each year, is there any doubt that insurance people in our great country should enthusiastically rise to these and other challenges?"

"Is there any doubt that, with the consumer having more spendable income and an appetite whetted for more than minimal security, the salesman will find a brisk and stimulating market-place for his merchandise? Is there any doubt about constructive personal insurance selling being a stabilizing factor in solving the long-range security problems of people whose other possessions and economic ventures lack permanence today? We are further from a saturation of our individual policy market than we were at the close of the second world war, and yes—the dimensions of the market for our products are even broader than the one we now work in."

Most companies, Mr. Hale suggested, still need a clear picture of the kind of people they want to solicit and the basic merchandising philosophy they want to follow.

"Our market targets should not only be determined, but known at all levels in our companies. They should be followed up with plans in action."

The speaker pooh-poohed the theory that because life insurance is an intangible "there isn't much we can learn from the marketing methods of people who sell tangible products." He urged his audience "to take note of the extraordinary zeal with which other businesses are studying new marketing challenges, no matter what kind of product or service they are offering."

Raising the "challenge of change," Mr. Hale suggested three questions as the foundation for sound marketing plans: What does today's insurance customer want and in what form does he want it? What are the best processes and techniques to motivate him to buy it? What specific things can we do to expand our markets and improve our sales methods?

"It is simply not safe to assume," Mr. Hale pointed out, "that people are motivated to buy insurance today the same way they were a generation, or even a decade ago."

Urging market-minded curiosity, the speaker said that the edge will go to companies with the best marketing judgment, since ever-increasing competition will make price and product advantages short-lived.

Pointing to the tendency of sales expense to rise rather than diminish, Mr. Hale suggested that the only way this

can be avoided is through some form of effective control.

The sales function is a very large factor in total company expense, he noted, and as it increases in importance, home office expenses become of relatively decreasing importance. He observed that competition and efficient management have helped to hold down home office costs.

While observing that "our search for industry figures on field costs still finds us in a jungle," he reported "growing excitement among members of LIAMA's cost committee as they watch research proceeding on function costs, with the recording and analysis of data on costs of recruiting, selecting, training and maintaining agents."

He said LIAMA's research staff is attacking the problem from a new viewpoint and that this work may well turn out to be as significant as anything LIAMA has achieved.

As life insurance men succeed in getting better results in manpower recruitment and development, they will near the solution to some of their toughest problems. In drawing this conclusion, Mr. Hale pointed to the decade ahead in which, he said, "we may have to face the alternative of hiring fewer people, selecting and training better and paying more—or changing and possibly lowering our selection standards."

"Not only must we be concerned with the recruitment of quality manpower," Mr. Hale said, "but we will need to become increasingly concerned with the utilization of it."

"In the matter of personal freedom that goes with the agent's job, part of it is freedom to worry. And much worry is brought on by the very fact that he, the agent, is chiefly responsible (not somebody else) for what he does with his freedom. We are going to have to find a way to eliminate a substantial portion of this wasteful and destructive part of the job. We're going to be forced to make the agent's job more productive so it will not only be more attractive, but so we can get better results from our total manpower effort."

Earlier in his talk Mr. Hale reviewed LIAMA progress in many areas, including managerial selection. Suggesting that "a break-through may not be too far away," he said: "The Evaluation Record has proved its worth and the few companies which have experimented with LIAMA's Career Analysis Procedure are giving encouraging reports."

The general sessions got under way Tuesday morning, following committee meeting Sunday and Monday and the "Old Guard" dinner Monday evening, attended by past directors of LIAMA and its predecessor organizations, Assn. of Life Agency Officers and Life Insurance Sales Research Bureau.

Most of the talks, forums and panel sessions are reported elsewhere in this issue or will be covered in next week's paper, because of space limitations.

## Lincoln National Committee Advises on New Building

Lincoln National Life has appointed a representative group of employees to an advisory committee under the chairmanship of George M. Bryce, company secretary, to make suggestions and recommendations in various phases of its new building program.

The company's plans to build a new

home office building adjacent to its present home office were reported previously in THE NATIONAL UNDERWRITER. Members of Mr. Bryce's committee are S. P. Adams, Henry Budecki, Beatrice Burlage, T. A. Burns, C. W. Carrel, E. R. Crilly, Ellen Davenport, M. D. Johnson, W. T. Kerr, N. L. Klages, Esther Kruse, R. E. Lee, J. J. Madden, L. H. Matthews, C. J. McAlexander, Helen McLain, Marilyn Newman, Alice O'Reilly, J. H. Rowden, A. W. Scott, C. P. Sielaff, Charles Suchma, Walter Turner, and F. G. Whitbread, with Winifred Beeth acting as secretary.

The committee is to make recommendations to the senior building committee headed by E. D. Auer, company vice-president. Other members of this committee are Mr. Bryce, M. C. Ledden, H. F. Rood, and R. G. Stagg, with V. H. Otte as secretary.

## Big Producer Tells What Helped Boost Production

(CONTINUED FROM PAGE 20)

sistent producer of a million each year. Why should you be satisfied with less? Why should he be satisfied with less?"

Mr. Jackson stressed the importance of the agent's own program.

"Maybe it would be wise for companies to encourage their agents to look in the mirror, to review their own life insurance programs." He cited the theory that an agent will normally sell as much insurance per month as he has on his own life.

"As I look back over the past 10 years, I find certain milestones which have marked my growth in the business. From these events or ideas, I can actually trace my passage from one plateau to a higher one. Home office schools, LUTC, a friendly system of fines for bad work habits, hiring a secretary and finally attainment of the MDRT and all along the line I had help, advice and encouragement from my general agent and my company. These were the things I needed and, thank heaven, these were the things I got."

In speaking for all career agents, Mr. Jackson concluded: "I like my job. I love this business. I have long since reached that point in my life where life insurance will always be the only business for me. The business has never let me down. With the continued help and guidance of people like you, it never will."

## Great Southern Offers to Buy N. W. National

(CONTINUED FROM PAGE 1)

day carried a story that Great Southern was offering \$22½ million for Northwestern National, but this would have to mean a 100% purchase of Northwestern at about \$100. There are 220,000 shares outstanding of Northwestern National, and it is understood about 80,000 of them are held by Texans or those associated with the group making the purchase offer. A reporter for the Minneapolis Tribune called Great Southern to inquire if Clint Murchison, the renowned Texas financier, is involved in any way with the offer, and was told there is no Murchison money connected with the proposal.

Dallas Union Securities has stated that further details of the offer were to be announced Thursday afternoon.

As of Dec. 31, Great Southern had assets of \$169 million, surplus of \$17 million (of which \$5 was capital), and insurance in force of \$785 million. Northwestern National had assets of \$283.5 million, surplus of \$15.9 million (of which \$2.2 million was capital), and insurance in force of \$1,543,129,000.

It has been stated that the purchase

## Nussbaum Tells How He'd Run a General Agency

(CONTINUED FROM PAGE 8)

has never been closed to anyone in management."

Mr. Nussbaum said he would insist that his agents be members of NALU to give them the opportunity of rubbing shoulders with other successful men, the opportunity of getting ideas that work for others, and the feeling of being part of an organization dedicated to the principle of giving professional service.

"The biggest problem that the general agent or manager will face in the next 10 years is the recruiting of new men," Mr. Nussbaum predicted. "If I were a general agent I would use the same methods to recruit new men that most general agents are using. However, I would develop a portfolio of agents' success stories. I would discuss job satisfaction. I would show the financial return to those who remain in the business as career men."

Mr. Nussbaum said that in making good agents better, he would use his company's training course completely. He noted, however, that knowledge itself will not make for success. More time will have to be spent in training men in the psychology of selling and in selling skills. Lauding LUTC for its work in this area, he said he would insist that agents participate in this program. As time goes on, it would be the natural process for those agents to seek more education through CLU.

In recruiting, Mr. Nussbaum said he would use his company's figures to illustrate the possibilities for those willing to pay the price for success.

"In 1955 all full-time agents in my company with five or more years of service averaged an income of \$12,210. The average income of those in the top 100 was \$27,316. I am firmly convinced that very few businesses have as much to offer as the life insurance business. We must get the message across! . . ."

"To me selling life insurance is a way of life. It has the excitement of a challenge; it has all of the thrills of an accomplishment. Its compensation can never be measured in dollars alone. We are selling peace of mind, security and a guarantee of the continuation of the American way of life. This is truly job satisfaction. If I were a general agent, I would be just as proud of saying so as I am of being just an agent."

offer has no connection with the retirement early in October of George W. Wells as president of Northwestern National, or the resignation of Vice-President W. R. Jenkins.

One of the most interesting aspects of the situation is that Northwestern National has \$450 million of participating life insurance in force, and each \$1,000 of such insurance is worth 1 vote. This would produce 450,000 votes from policyholders as against 220,000 from stockholders.

Management of Northwestern National on Thursday mailed letters to policyholders asking for proxies for management. At the same time a letter was sent stockholders reminding them that they have time to consider the Great Southern offer and do not need to act hastily.

Frank K. Jorgensen has begun a four-year chartered career training program at the home office of General American Life.



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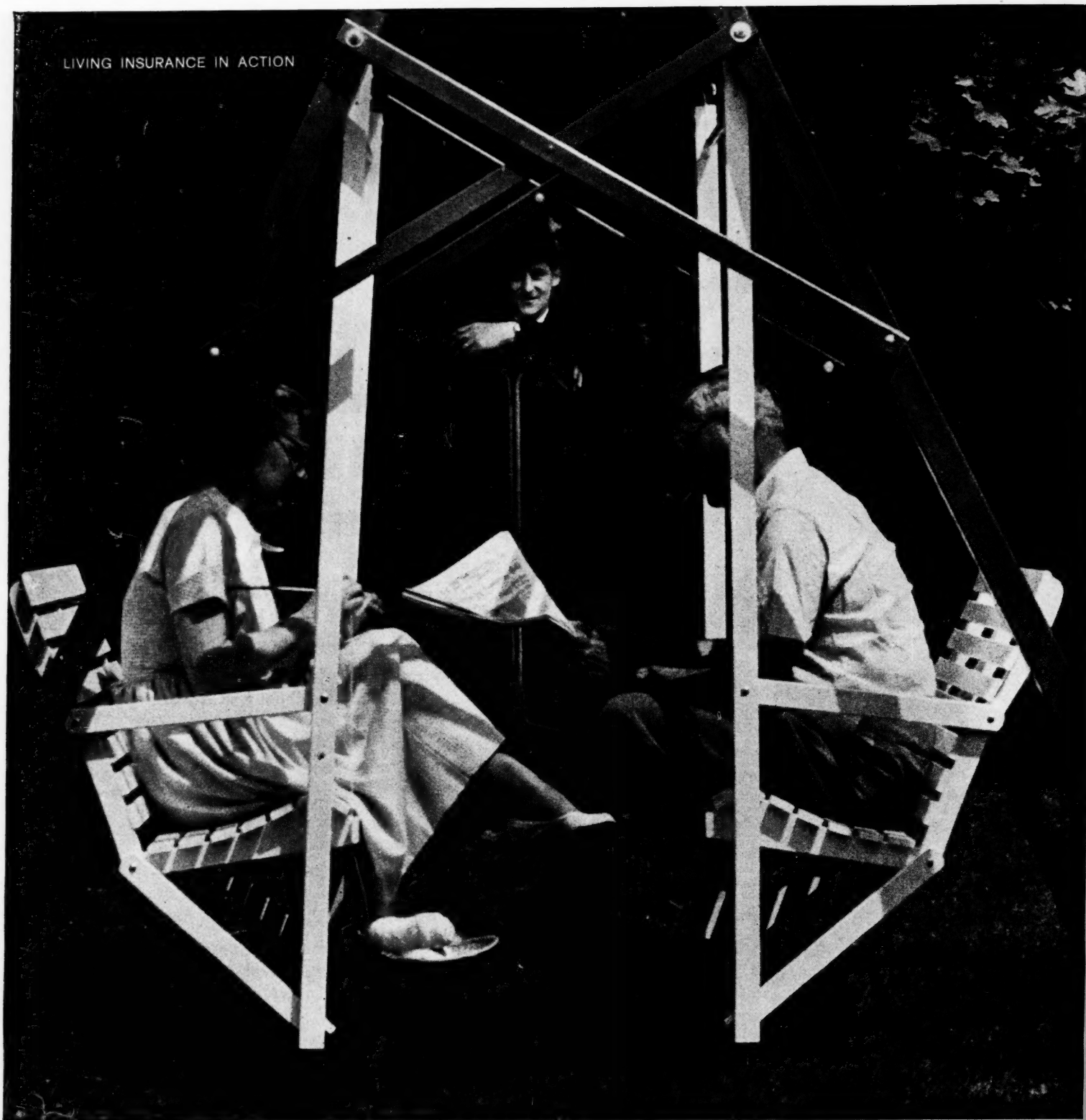
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## The Man from Equitable who helped 93 friends to retire

Somehow or other, the talk got around to the subject of retirement. The other men looked surprised when the Man from Equitable said that he had helped 93 friends to retire. Then he explained. Actually, these were people he had helped to retire at an early age on the income from Equitable policies he had sold.

Driving home later, the Man from Equitable thought about those 93 friends—

and about all the other people he had helped to achieve basic goals in life. Once again, he had the feeling of accomplishment that goes with being the Man from Equitable.

This same feeling of accomplishment extended into his community life, too. The accomplishment of raising funds for the local hospital; of collecting clothes and money for flood victims; of working for the

Volunteer Fire Department.

The Man from Equitable put his car in the garage and opened the door to his house. He felt good.

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